Standards

Standards MT Release 2022

ISO 20022 maintenance cycle 2022/2021

Maintenance Change Request – Maintenance Working Group FINAL Minutes

Corporate Actions

Distribution: Corporate Action Maintenance Working Group

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# Introduction

ISO 15022 – 20022 Maintenance Process

As from the year 2012, a joint maintenance process has been put in place for ISO 20022 and 15022 and Corporate Action messages with the support of the ISO 20022 RMG and of the SWIFT Board.

This joint maintenance will ensure interoperability between the two standards and a more efficient maintenance process.

Standards Illustrations in this document

Standards illustrations are provided by SWIFT Standards. They are not part of the original request.

Any standard illustrations (rules, codes, qualifiers, wordings) are **only for illustration purposes**. It does not mean SWIFT Standards is in agreement with the maintenance request or that the final standards solutions (for accepted maintenance requests) will be as shown in this document.

The MT Standards Release Guide (+ potential erratum) and the ISO 20022 message definition reports are the ONLY source of reliable information based on which implementation of changes should be made. Any other documentation (including this one) is subject to change.

SR 2022 change requests

This document contains all CA MT/MX CRs for MT category 5 and equivalent MX messages investigated this year for implementation in SR 2022.

The requests originator is indicated as follows:

* + Requesting Country; Country code of requesting NMPG or UG; eg. BE
  + Requesting Group: a SWIFT User Group or a National (Securities) Market Practice Group with the acknowledgement of the UGC or Recognized industry group eg. SMPG (the global Securities Market Practice Group)

CR Title Colour notation (**for minutes[[1]](#footnote-1) only**)

In GREEN are items that are approved or approved with comments or approved with alternative solution.

In RED are items that are rejected, withdrawn or linked to agreed items

In **GREY** are items that are postponed for review and implementation at the next release.

Contact persons regarding this document

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CA MWG Members for SR2022

The following people are part of the CA MWG for SR2022.

|  |  |  |
| --- | --- | --- |
| **Maintenance working group members** | **Representing** | **Meeting**  **Presence** |
| Priscilla Ferri de Barros | AU | **Excused** |
| Véronique Peeters | BE | **Present** |
| Michael Blumer | CH | **Present** |
| Daniel Schäfer | DE | **Present** |
| Jean-Pierre Klak | FR | **Present** |
| James Mullens | HK | **Present** |
| Catarina Marques | LU | **Present** |
| Sanjeev Jayram | SA | **Present** |
| Mariangela Fumagalli | UK | **Present** |
| Paul Fullam | US / ISITC | **Present** |
| Jean-Paul Lambotte | XS | **Present** |
| Christine Strandberg | ISO 20022 Securities SEG (SE) | **Present** |
| Steve Sloan | ISO 20022 Securities SEG (US) | **Present** |
| Jacques Littré | CA MWG Chair | **Present** |

# Overview of User Change requests

## CR 001796: Add new Event Type for Tax Classification

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| MT 564 / seev.031 (CANO) | |
| **Complies with regulation** | |
| US Internal Revenue Service Regulation 1441 and 1446 | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: US in SR 2022 | |
| **Business context** | |
| DTCC is requesting a new CAEV code TXCL Tax Classification. The purpose of this new code is to handle a scenario whereby an event will be announced solely to announce a classification of a distribution event which was announced under a different corporate action event id. This is required based on new functionality related to IRS regulation 1441. For certain US Distribution events, DTC receives information from the issuer of securities which states that distributions will have multiple classifications for IRS 1042-S purposes. DTC will provide payment details on the original announcement from the exchange. However, a second event will now be created and applicable only withholding and reporting income to Non-US holders for US tax purposes. The issuer will provide a breakdown such as Publicly Traded Partners with qualified notices that contain multiple income classifications for IRS 1042-S reporting. Each of the classifications will state the Income Type code within the Cash Movement showing the IRSX code such as, Dividends, Return of Capital or Short-Term Capital Gains.  The purpose of the second event is to further classify the original event. Downstream US holders that are also acting as US Withholding agents would know by the event type that there will be no income distribution for this Tax Classification event but could benefit from receiving the information which they may need to process withholding and reporting for their Non-US holders.  This functionality is for securities that make distributions that may have multiple classifications for US tax withholding purposes. For example, a portion of a payment may be considered a dividend and another portion may be considered a return of capital. The functionality would be useful for REITs, Funds (e.g. ETFs), Partnerships, Exchange Traded Notes, common stocks, among other securities. Also, while this TXCL code is being requested due to a US related tax change, the tax classification process is not unique to the US market and we believe other markets could benefit from creating a tax related event. | |
| **Nature of change** | |
| Create New 22F: CAEV Indicator Code TXCL - Tax Classification Definition: Event announced to provide multiple tax classifications for a given distribution which previously was announced under a difference Corporate Action Id Number with one payout (cash / securities movement) | |
| **Workaround** | |
| The only workaround is to use the event type OTHR | |
| **Examples** | |
| TXCL Income Code Examples  CA ID – 125193034 & 125242681  CUSIP 85814R206  Record Date 03/01/2021  Payable Date 03/15/2021  Cash Rate $0.375  In this example, a Publicly Traded Partnership (“PTP”) provides to DTC a Qualified notice with tax classification details. The Qualified Notice indicated the income is not ECI. Rather, the distribution consisted of dividend and interest income for section 1441 purposes, which is reported using the IRS 1042-S Income Codes. DTC will announce the $0.375 as one cash distribution announcement. Another informational announcement will consist of the following information for 1042-S reporting purposes as per the PTP’s Qualified Notice.  IRSX Income Code 01 interest - $0.153  IRSX Income Code 06 dividend - $0.222  These codes will be reported to non-residents of US under the 1042-S tax return forms. US investors can disregard the classification and report based on $0.375, since they are treated differently for US Tax Income purposes.  Other similar examples include:  Record Detail Page – 125488460 | CUSIP G16252101  Record Detail Page – 124992012 | G16258108 | |

**SWIFT Comment**

|  |
| --- |
|  |

**Standards Illustration**

**1. ISO 15022 Illustration**

**In the MT 564 in sequence A in field 22F, add the new code value TXCL (Tax Classification) to the CAEV qualifier as illustrated below:**

**MT 564 Field Specifications**

5. Field 22F: Indicator

FORMAT

|  |  |  |
| --- | --- | --- |
| Option F | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Indicator) |

PRESENCE

Mandatory in mandatory sequence A

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | CAEP | N |  | F | Corporate Action Event Processing |
| 2 | M | CAEV | N | C4, C6, C10, C11, C23 | F | Corporate Action Event Indicator |
| 3 | M | CAMV | N |  | F | Mandatory/Voluntary Indicator |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| CAEP | Corporate Action Event Processing | Type of processing involved by a Corporate Action. |
| CAEV | Corporate Action Event Indicator | Specifies the type of corporate event. |
| CAMV | Mandatory/Voluntary Indicator | Specifies whether the event is mandatory, mandatory with options or voluntary. |

CODES

If Qualifier is CAEP and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

|  |  |  |
| --- | --- | --- |
| DISN | CA Results in a Distribution | The holder of the relevant security on a certain date, for example, the record date, will receive a benefit without giving up the underlying security. |
| GENL | General | No debit or credit of resources. |
| REOR | CA Results in a Reorganisation | The underlying security will be debited and may be replaced by another resource (or resources). |

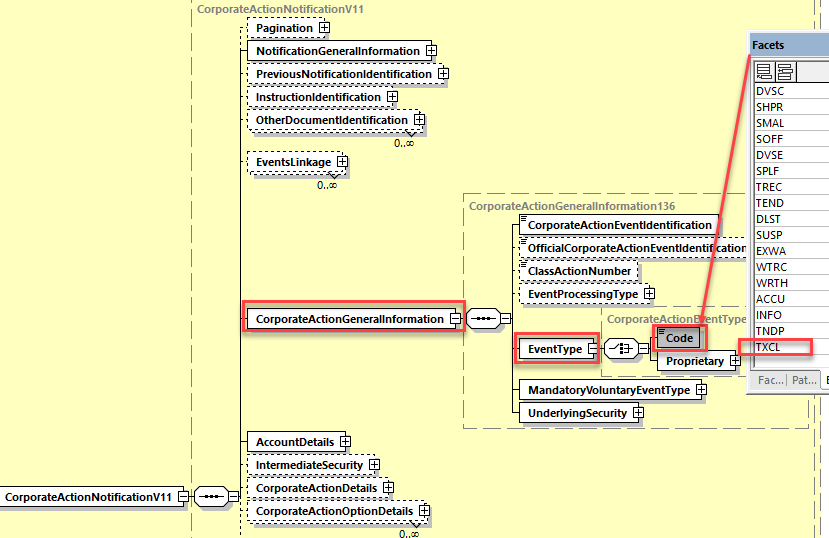
CODES

If Qualifier is CAEV and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

|  |  |  |
| --- | --- | --- |
| ACCU | Accumulation | Funds related event in which the income (for example accumulation units) that accrues during an accounting period is retained within the fund instead of being paid away to investors. The retained income is nonetheless deemed to have been distributed to investors for tax purposes. |
| ACTV | Trading Status: Active | Trading in the security has commenced or security has been re-activated after a suspension in trading. |
| …… |  |  |
| TNDP | Tax On Non-Distributed Proceeds | Taxable component on non-distributed proceeds, for example, Australian deemed income or US 871m income regulation. |
| TREC | Tax Reclaim | Event related to tax reclaim activities. |
| **TXCL** | **Tax Classification** | **Event announced to provide multiple tax classifications for a given distribution which was previously announced under a different corporate action reference with one payout (cash or securities movement).** |
| WRTH | Worthless | Booking out of valueless securities. |
| WTRC | Withholding Tax Relief Certification | Certification process for withholding tax reduction or exemption based on the tax status of the holder. |
| XMET | Extraordinary or Special General Meeting | Extraordinary or special general meeting. |

**2. ISO 20022 Illustration**

**1. In the seev.031 (CANO – CorporateActionNotification)** message, in the ***CorporateActionGeneralInformation*** building block, add the new Tax Classification (TXCL) event type code in the data type code ***CorporateActionEventType31Code*** of the EventType/code element as defined in ISO 15022 above and as illustrated below:



**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| MWG members acknowledge the US business case to cover tax classification for reporting for non-US holders, however it appears that having a separate event just for this is not common in the rest of the world.  Creating a new CA event for this would rather force the rest of the world to adopt this new practice. This would be a costly solution compared to the expected benefit whilst there are currently different ad-hoc processing solutions in many countries that are working well to cover this case.  Nevertheless, this practice is quite new as well in the US and there are no yet many cases of qualified notice of tax classification that have been announced so far. It is also not really clear what information this new CA event would contain (apart from a link to original event) and what would be the related market practice.  Moreover, using the OTHR event for this as a workaround is a temporary solution working reasonably well and it allows other countries to keep their own alternative ad-hoc processing as well.  In the UK, Germany and other European countries, this tax (re-)classification information is handled rather in the original event.  After the discussion, a vote is cast with the following results: 6 countries (BE, CH, DE, FR, UK, ZA) against the proposed change for a new event and 4 countries (HK, LU, US, XS) are in favour. The CR is therefore rejected by the MWG with a majority of 60%.  The MWG recommends to the SMPG CA WG (Tax Subgroup) to further investigate the business case, the information sent in OTHR event today and look at what solutions exist in other countries that could be the object of a new change request to solve this case in 2023. |
| **Decision** |
| **CR Rejected** |

## CR 001794: Amend scope of Tax on Non Distributed Proceeds Indicator

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| MT 564, MT 566, seev.031 (CANO) | |
| **Complies with regulation** | |
| US Internal Revenue Service Regulation 1441 and 1446 | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: US in SR 2022 | |
| **Business context** | |
| Rationale: When new tax regulations occur, often there is the need to announce that details of a Corporate Action event are governed by a particular Tax Regulation. This was previously done for the Tax on Non-Distributed Proceeds Indicator to indicate that an event occurred under IRS Regulation 305c or 871m, even though no entitlement of cash or securities were distributed. Having a broader Tax Regulation Indicator allows for the centralization of any tax regulation and can be adjusted in the future by Data Source Scheme Updates. Such an indicator also provides for better routing of the announcement to the appropriate tax group within an organization and eliminates the need to use narrative to convey the Tax Regulation ID.  Who Benefits:  In the US Market, DTCC, as the central securities depository and registered holder of a security is privy to information from issuers which can be conveyed downstream in the marketplace as a centralized means of distributing issuer information. Various tax regulations in the US require that issuers provide DTC with taxability information on the presumption that the data will be passed downstream to holders. Indication of the Tax Regulation would benefit all downstream consumers of the corporate action message received from DTCC.  More specifically, the main beneficiaries from this change are Financial Institutions, both U.S. and non-U.S. who have tax withholding obligations and responsibilities on payment to their clients. Also, the ultimate beneficiaries are the shareholders of the security who will be taxed properly based on the receipt of this information in a timely manner through better use of fielded data. | |
| **Nature of change** | |
| Create new :22F Indicator Tax Regulation Indicator which will contain the Regulation ID (Identification) Issuer and Scheme Name of the Tax Regulation. This will allow an announcement to indicate when a particular regulation such as IRS 1446 is applicable to the details of the event. This will help recipients of the MT564 / CANO comply with specific tax withholding and reporting regulations. For example, there are three new IRS regulations which could be indicated using this element by naming convention:  This would be modelled similar to the Tax on Non-Distributed Proceeds Indicator (or could replace the Tax on Non-Distributed Proceeds Indicator). Replacing the current Tax on Non Distributed Proceeds indicator would be favoured by ISITC as US Tax regulations which fall within the TNDP Indicator (871m and 305c) could be maintained within a more generic Tax Regulation Indicator field. | |
| **Workaround** | |
| The current workaround is utilizing the existing Sequence D :22F: Indicator field Tax on Non-Distributed Proceeds Indicator (TNDP) and using the SMPG Data Source Scheme to output any tax regulation. This is misleading when certain tax regulations are not related to the Deemed Events for which this was created. | |
| **Examples** | |
| For example, from the recent published IRS regulations 1446f and current regulation 1441 could utilize this indicator. Each of these could be given an Identification such as US01, US02 and US03:  IRS 1446(f) –Additional Withholding Notification (E.G. US01)  1446(f) imposes a 2nd tax on distributions to non-US holders of securities classified as Partnerships for US tax purposes. For example, on a $1,000 distribution to a non-US person, US tax laws may require 37% to be withheld on the full amount of the distribution (IRS Income Code 27). In addition, 1446(f) may also state that $750 of the distribution is also subject to a 10% tax (IRS Income Code TBD). The foreign person would have $445 ($370 (37% of 1,000) + 75 (10% of 750)) withheld on the distribution. For U.S. purposes, there would be $1,750 in gross income reported on Form 1042-S. Form 1042-S is the US tax form issued to non-US persons that receive US source income.  Note: To a US person this 2nd level tax is not applicable.  IRS Regulation 1441 – Distributions with multiple US tax classifications (US02)  How a distribution is treated for US tax purposes may depend on whether the person is a US resident/citizen or a non-US person. The functionality we are building is specific to US source payments made to non-US persons that are reportable on US IRS Form 1042-S. It doesn’t address any other scenarios such as payments to US holders, or how a non-US gov’t (e.g. Canada, Germany) would view the payment.  This functionality is for securities that make distributions that may have multiple classifications for US tax withholding purposes. For example, a portion of a payment may be considered a dividend and another portion may be considered a capital gain. The functionality would be useful for REITs, Funds (e.g. ETFs), Partnerships, Exchange Traded Notes, common stocks, among other securities.  IRS Regulation 1446f - 92 Day Qualified Notices (US03)  In addition to the above, 1446(f) imposes a 10% withholding tax on dispositions (i.e. sales) of partnerships by non-US persons. There are exceptions to the requirement that brokers withhold 10% when a non-US client sells a partnership, including if the partnership issues a Qualified Notice stating that it does not have any Effectively Connected Income with a trade or business in the US. If the partnership issues this Qualified Notice then for the next 92 days Brokers are not required to perform the 10% withholding on sales of the partnerships. | |

**SWIFT Comment**

|  |
| --- |
| Since the Tax on Non-Distributed Proceeds indicator (:22F::TNDP) is present in the MT 564 and 566 message, this new tax related indicator should perhaps similarly be present in the MT566 as well.  Could several tax regulation apply to the same event, in which case, this new indicator should be repetitive? As a second implementation option, the TNDP could eventually be renamed and redefined or be replaced by the new indicator so as to cover both usages for TNDP event and other events.  To be discussed at the MWG meeting. |

**Standards Illustration**

**1. ISO 15022 Illustration**

**In the MT 564, in sequence D, and in the MT 566 in sequence C, make the :22F::TNDP indicator repeatable and amend its definition as illustrated below.**

**MT 564 Field Specifications**

51. Field 22F: Indicator

FORMAT

|  |  |  |
| --- | --- | --- |
| Option F | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Indicator) |

PRESENCE

Optional in optional sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | DIVI | N |  | F | Dividend Type Indicator |
| 2 | O | CONV | N |  | F | Event Sequence Type Indicator |
| 3 | O | DITY | N |  | F | Occurrence Type Indicator |
| 4 | O | OFFE | R |  | F | Offer Type Indicator |
| 5 | O | SELL | N |  | F | Renounceable Status of Entitlement Indicator |
| 6 | O | ESTA | R |  | F | Corporate Action Event Stage |
| 7 | O | ADDB | R | C14, C15, C17 | F | Additional Business Process Indicator |
| 8 | O | CHAN | R | C10 | F | Change Type Indicator |
| 9 | O | RHDI | N | C11 | F | Intermediate Securities Distribution Type Indicator |
| 10 | O | ECIO | N |  | F | Capital Gain In/Out Indicator |
| 11 | O | TDTA | N |  | F | TID/TIS Calculated Indicator |
| 12 | O | ELCT | N |  | F | Election Type Indicator |
| 13 | O | LOTO | N |  | F | Lottery Type |
| 14 | O | CEFI | N |  | F | Certification Format Indicator |
| 15 | O | CONS | N |  | F | Consent Type Indicator |
| 16 | O | INFO | N |  | F | Information Type Indicator |
| 17 | O | TNDP | ~~N~~ **R** |  | F | Tax On Non-Distributed Proceeds Indicator |

DEFINITION

This qualified generic field specifies:

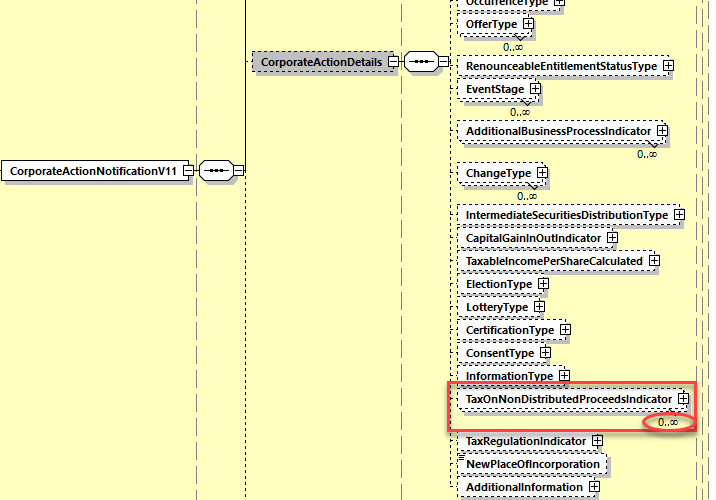
|  |  |  |
| --- | --- | --- |
| ADDB | Additional Business Process Indicator | Specifies the additional business process linked to a corporate action event such as a claim compensation or tax refund. |
| CEFI | Certification Format Indicator | Specifies the certification format required, that is, physical or electronic format. |
| … |  |  |
| TDTA | TID/TIS Calculated Indicator | Specifies whether the fund calculates the taxable income per dividend/taxable income per share. |
| TNDP | Tax On Non-Distributed Proceeds Indicator | Specifies the tax regulation being attributed to the non-distributed proceeds event **or to any other event**. |

CODES

If Qualifier is TNDP, Data Source Scheme must be used, for example, IRSX in the United States.

**2. ISO 20022 Illustration**

**In the seev.031 (CANO – CorporateActionNotification)** message, in the *CorporateActionDetails* building block, amend the definition of the ***TaxOnNonDistributedProceedsIndicator*** element as defined in ISO 15022 above and make it repeatable.



**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG agrees with the business case and a large majority prefers to enlarge the scope of the existing TNDP (Tax On Non-Distributed Proceeds) indicator to accommodate the need to specify tax regulations more generally (instead of creating a brand new indicator or renaming the indicator which has an impact on the ISO 20022 schema).  The whole MWG agrees to slightly change the definition of the TNDP indicator as follows: “*Specifies the tax regulation being attributed to the non-distributed proceeds event or to any other event*”.  As proposed by SWIFT, the MWG also agrees to make the TNDP indicator repeatable as several tax regulations might be applicable and to apply the same change in the MT566 messages (note that the TNDP indicator is not present in the seev.035 and seev.036 – so no impact on these messages).  The MWG requests the SMPG CA WG to adapt the existing TNDP market practice accordingly.  *In absence of the AU representative, Jacques will contact her in the next couple of days to get the AU feedback on this change.* |
| **Decision** |
| **Approved with alternative solution** |

## CR 001789: Add new First and Last Bid Increment Price to CA Details and Option Level for TEND and DTCH events

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| MT 564 / seev.031 (CANO) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| Medium | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: US in SR 2022 | |
| **Business context** | |
| In SR2021, the :22F Indicator Bid Range Type Indicator BIRI was added to the MT564 Sequence E. DTCC is requesting an additional field to work in conjunction with this indicator to state the First Bid Value. This would be used in conjunction with the :90A Price/ Minimum Price and :92A Rate Bid Interval to state the next value after the Minimum Bid (Price).  This is needed for events with ranges that are non-standard. The Bid Range types of Divisible, Incremental and In Multiple will now be supplemented to explain what the first acceptable bid value after the Minimum Price. This will allow for more straight-through processing as invalid bid values can hopefully be avoided by understanding these fields when looked at together. | |
| **Nature of change** | |
| MT 564 :90A Price Create new field FIBV - First Bid Price FIBP - For Bid Tender or Dutch Auction events, the first acceptable bid price after the Minimum Price.  This should be available in both Sequence D and Sequence E as Minimum Price, Maximum Price and Bid Interval are at both the event and option level. | |
| **Examples** | |
| Please see additional documents tab for scenarios to how First Bid Increment would work | |

**SWIFT Comment**

|  |
| --- |
| A new NVR should be added also to the MT564 message to prevent having the presence of First Bid Price (:90a::FIBP) field simultaneously in sequence D and E.  Since the SWIFT CR 1774 in next section of this document has exactly the same purpose for :90a::MAXP and MINP, the new NVR will be illustrated in that CR section. |

**Standards Illustration**

**1. ISO 15022 Illustration**

**1. In the MT564 in sequence D and in sequence E, in field 90a Price, add two new optional and non-repeatable qualifiers First Bid Increment Price (FIBP) and Last Bid Increment Prince as defined and illustrated below (for sequence E):**

**MT 564 Field Specifications**

65. Field 90a: Price

FORMAT

|  |  |  |
| --- | --- | --- |
| Option A | :4!c//4!c/[N]15d | (Qualifier)(Percentage Type Code)(Sign)(Price) |
| Option B | :4!c//4!c/3!a15d | (Qualifier)(Amount Type Code)(Currency Code)(Price) |
| Option E | :4!c//4!c | (Qualifier)(Price Code) |
| Option L | :4!c//[N]15d | (Qualifier)(Sign)(Index Points) |

PRESENCE

Optional in optional sequence E

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | CINL | N |  | A, B, or E | Cash in Lieu of Shares Price |
| 2 | O | OSUB | N |  | A, B, or E | Over-subscription Deposit Price |
| 3 | O | MACI | N | C20 | B or E | Maximum Cash To Instruct |
| 4 | O | MICI | N | C20 | B or E | Minimum Cash To Instruct |
| 5 | O | MMCI | N | C20 | B or E | Minimum Multiple Cash To Instruct |
| 6 | O | MAXP | N |  | A, B, E, or L | Maximum Price |
| 7 | O | MINP | N |  | A, B, E, or L | Minimum Price |
| **8** | **O** | **FBIP** | **N** | **Cxx** | **A, B, E or L** | **First Bid Increment Price** |
| **9** | **O** | **LBIP** | **N** | **Cxx** | **A, B, E or L** | **Last Bid Increment Price** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| CINL | Cash in Lieu of Shares Price | Cash disbursement in lieu of equities; usually in lieu of fractional quantity. |
| **FBIP** | **First Bid Increment Price** | **First acceptable price after the Minimum Price at which a holder can bid, for example on a Dutch auction offer.** |
| **LBIP** | **Last Bid Increment Price** | **Last acceptable price before the Maximum Price at which a holder can bid, for example on a Dutch auction offer.** |
| MACI | Maximum Cash To Instruct | Maximum cash amount that may be instructed. |
| MAXP | Maximum Price | Maximum or cap price at which a holder can bid, for example on a Dutch auction offer. |
| MICI | Minimum Cash To Instruct | Minimum cash amount that may be instructed. |
| MINP | Minimum Price | Minimum or floor price at which a holder can bid, for example on a Dutch auction offer. |
| MMCI | Minimum Multiple Cash To Instruct | Minimum multiple of a cash amount that may be instructed. |
| OSUB | Over-subscription Deposit Price | Amount of money required per over-subscribed equity as defined by the issuer. |

**2. In the MT 564, add a new NVR rule to prevent having the presence of First Increment Bid Price (:90a::FIBP) and Last Increment Bid Price (:90a::LIBP) fields simultaneously in sequence D and E.**

**Cxx**

**If field :90a::FBIP is present in any occurrences of sequence E, then :90a::FBIP must not be present in sequence D (Error code(s): Dxx).**

| **In any occurrence of sequence E if field :90a::FBIP is ...** | **then in sequence D, fields :90a::FBIP...** |
| --- | --- |
| Present | Not allowed |
| Not present | Optional |

**If field :90a::LBIP is present in any occurrences of sequence E, then :90a::FBIP must not be present in sequence D (Error code(s): Dxx).**

| **In any occurrence of sequence E if field :90a::LBIP is ...** | **then in sequence D, fields :90a::LBIP...** |
| --- | --- |
| Present | Not allowed |
| Not present | Optional |

**3. In the MT 564, add a new NVR rule to restrict the presence of First Increment Bid Price (:90a::FIBP) and Last Increment Bid Price (:90a::LIBP) fields for the TEND, DTCH and BIDS CA events.**

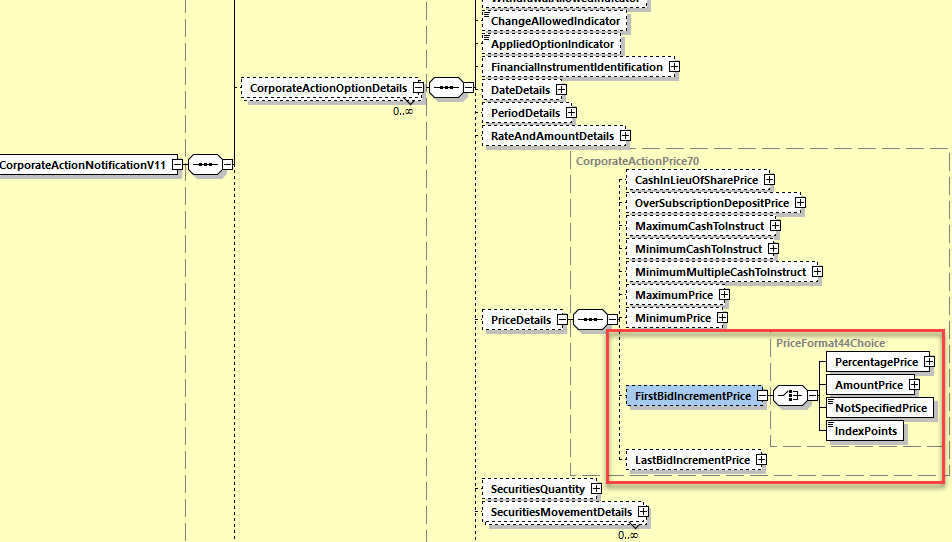
**CXX**

**In sequence D or in any occurrence of sequence E, if field :90a::FBIP or field :90a::LBIP is present, then in sequence A, either field :22F::CAEV//BIDS or field :22F::CAEV//DTCH or field :22F::CAEV//TEND must be present.**

| **In sequence D or in any occurrences of sequence E if field :90a::FBIP or field :90a::LBIP is ...** | **then in sequence A, either field :22F::CAEV//BIDS or field :22F::CAEV//DTCH or field :22F::CAEV//TEND...** |
| --- | --- |
| Present | Is mandatory |
| Not present | Not applicable |

**2. ISO 20022 Illustration**

**1. In the seev.031 (CANO – CorporateActionNotification)** message, in the sequences *CorporateActionDetails/PriceDetails and CorporateActionOptionDetails/PriceDetails*, add the new optional and non-repeatable elements ***FirstBidIncrementPrice*** *and* ***LastBidIncrementPrice***typed by the data type *PriceFormat44Choice* as defined in ISO 15022 above and as illustrated below:



**2. In the seev.031 (CANO – CorporateActionNotification)** message**,** add new cross element rules to prevent having the presence of ***FirstBidIncrementPrice*** and ***LastBidIncrementPrice*** simultaneously in *CorporateActionDetails/PriceDetails* and in *CorporateActionOptionDetails/PriceDetails* sequences and defined as follows:

***If FirstBidIncrementPrice is present in CorporateActionDetails/PriceDetails, then FirstBidIncrement Price must be absent in any occurences of CorporateActionOptionDetails/PriceDetails.* *(MT 564 NVR Cxx)***

***If FirstBidIncrementPrice is present in any occurences of CorporateActionOptionDetails/PriceDetails, then FirstBidPrice must be absent in CorporateActionDetails/PriceDetails.* *(MT 564 NVR Cxx)***

***If LastBidIncrementPrice is present in CorporateActionDetails/PriceDetails, then LastBidIncrement Price must be absent in any occurences of CorporateActionOptionDetails/PriceDetails.* *(MT 564 NVR Cxx)***

***If LastBidIncrementPrice is present in any occurences of CorporateActionOptionDetails/PriceDetails, then FirstBidPrice must be absent in CorporateActionDetails/PriceDetails.* *(MT 564 NVR Cxx)***

**3. In the seev.031 (CANO – CorporateActionNotification)** message**,** add 4 new cross element rule in the root of the message to restrict the usage of the elements ***FirstBidIncrementPrice*** and ***LastBidIncrementPrice*** in the CorporateActionDetails/PriceDetails and in the CorporateActionOptionDetails/PriceDetails to the BIDS, DTCH and TEND corporate event and defined as follows:

***If FirstBidIncrementPrice is present in CorporateActionDetails/PriceDetails, then CorporateActionGeneralInformation/EventType/Code is equal to either value “Repurchase Offer” (BIDS) or “Dutch Auction” (DTCH) or “Tender” (TEND).* *(MT 564 NVR Cxx)***

***If LastBidIncrementPrice is present in CorporateActionDetails/PriceDetails, then CorporateActionGeneralInformation/EventType/Code is equal to either value “Repurchase Offer” (BIDS) or “Dutch Auction” (DTCH) or “Tender” (TEND).* *(MT 564 NVR Cxx)***

***If FirstBidIncrementPrice is present in CorporateActionOptionDetails/PriceDetails, then CorporateActionGeneralInformation/EventType/Code is equal to either value “Repurchase Offer” (BIDS) or “Dutch Auction” (DTCH) or “Tender” (TEND).* *(MT 564 NVR Cxx)***

***If LastBidIncrementPrice is present in CorporateActionOptionDetails/PriceDetails, then CorporateActionGeneralInformation/EventType/Code is equal to either value “Repurchase Offer” (BIDS) or “Dutch Auction” (DTCH) or “Tender” (TEND).* *(MT 564 NVR Cxx)***

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| ISITC confirms that this CR may concern thousands of events per year. After the review and explanation of the examples provided by ISITC, the MWG agrees with the business case.  However, it appears that the proposed naming of the new element (first bid price) might be confusing with the “Minimum Price” element which is the actual first bid price and UK suggests to also consider the creation of a corresponding “last bid price”.  The MWG finally agrees to:  - create the following new “***First Bid Increment Price***” and “***Last Bid Increment Price***” in sequence D and E of the MT 564,  - create a new NVR in the MT 564 in order to avoid having these 2 new prices present simultaneously in sequences D & E.  - Create a new NVR in the MT564 in order to restrict the usage of these fields to TEND, DTCH and BIDS events only. |
| **Decision** |
| **Approved with comments.** |

## CR 001774: Add new Maximum Price, Minimum Price and Bid Interval Rate NVR Rules

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | SWIFT |
| **Sponsors** | |
| Not provided | |
| **Message type(s) impacted** | |
| MT 564, seev.031 (CANO) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| LOW | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: SR 2022 | |
| **Business context** | |
| The presence of Minimum Price and Maximum Price simultaneously in the sequence D and E of the MT 564 could potentially cause general confusion for the recipient of the notification if the prices provided are different. Therefore, a NVR should prevent this to happen. | |
| **Nature of change** | |
| Add a new NVR rule in the MT564 to prevent having the presence of Minimum Price (:90a::MINP) and Maximum Price (:90a::MAXP) fields simultaneously in sequence D and E.  The change is of a technical nature following up on a SR2021 CR (CR1654) that was requesting to move MINP and MAXP in from sequence D to sequence E. The CA MWG finally decided to add these 2 prices in seq. E and keep them in seq. D. | |
| **Workaround** | |
| No current workaround but a market practice could be done to cover the issue without being able to enforce it. | |
| **Examples** | |
| Not provided | |

**SWIFT Comment**

|  |
| --- |
|  |

**Standards Illustration**

**1. ISO 15022 Illustration**

1. **In the MT 564, add the new NVR Cxx as defined below:**

**MT 564 Field Specifications**

47. Field 90a: Price

FORMAT

|  |  |  |
| --- | --- | --- |
| Option A | :4!c//4!c/[N]15d | (Qualifier)(Percentage Type Code)(Sign)(Price) |
| Option B | :4!c//4!c/3!a15d | (Qualifier)(Amount Type Code)(Currency Code)(Price) |
| Option E | :4!c//4!c | (Qualifier)(Price Code) |
| Option L | :4!c//[N]15d | (Qualifier)(Sign)(Index Points) |

PRESENCE

Optional in optional sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | MAXP | N | **Cxx** | A, B, E, or L | Maximum Price |
| 2 | O | MINP | N | **Cxx** | A, B, E, or L | Minimum Price |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| MAXP | Maximum Price | Maximum or cap price at which a holder can bid, for example on a Dutch auction offer. |
| MINP | Minimum Price | Minimum or floor price at which a holder can bid, for example on a Dutch auction offer. |

**MT 564 Field Specifications**

65. Field 90a: Price

FORMAT

|  |  |  |
| --- | --- | --- |
| Option A | :4!c//4!c/[N]15d | (Qualifier)(Percentage Type Code)(Sign)(Price) |
| Option B | :4!c//4!c/3!a15d | (Qualifier)(Amount Type Code)(Currency Code)(Price) |
| Option E | :4!c//4!c | (Qualifier)(Price Code) |
| Option L | :4!c//[N]15d | (Qualifier)(Sign)(Index Points) |

PRESENCE

Optional in optional sequence E

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | CINL | N |  | A, B, or E | Cash in Lieu of Shares Price |
| 2 | O | OSUB | N |  | A, B, or E | Over-subscription Deposit Price |
| 3 | O | MACI | N | C20 | B or E | Maximum Cash To Instruct |
| 4 | O | MICI | N | C20 | B or E | Minimum Cash To Instruct |
| 5 | O | MMCI | N | C20 | B or E | Minimum Multiple Cash To Instruct |
| 6 | O | MAXP | N | **Cxx** | A, B, E, or L | Maximum Price |
| 7 | O | MINP | N | **Cxx** | A, B, E, or L | Minimum Price |

**Cxx**

**If field :90a::MINP is present in any occurrences of sequence E, then :90a::MINP must not be present in sequence D (Error code(s): Dxx).**

| **In any occurrence of sequence E if field :90a::MINP is ...** | **then in sequence D, fields :90a::MINP...** |
| --- | --- |
| **Present** | **Not allowed** |
| **Not present** | **Optional** |

**If field :90a::MAXP is present in any occurrences of sequence E, then :90a::MAXP must not be present in sequence D (Error code(s): Dxx).**

| **In any occurrence of sequence E if field :90a::MAXP is ...** | **then in sequence D, fields :90a::MAXP...** |
| --- | --- |
| **Present** | **Not allowed** |
| **Not present** | **Optional** |

**If field :92a::BIDI is present in any occurrences of sequence E, then :92a::BIDI must not be present in sequence D (Error code(s): Dxx).**

| **In any occurrence of sequence E if field :92a::BIDI is ...** | **then in sequence D, fields :92a::BIDI...** |
| --- | --- |
| **Present** | **Not allowed** |
| **Not present** | **Optional** |

**2. ISO 20022 Illustration**

**2. In the seev.031 (CANO – CorporateActionNotification)** message**,** add two new cross element rule at the root level of the message to prevent having the elements ***MinimumPrice*** and ***MaximumPrice*** simultaneously present in *CorporateActionDetails/PriceDetails* and in *CorporateActionOptionDetails/PriceDetails* sequences and defined as follows:

***If MinimumPrice is present in any occurences of CorporateActionOptionDetails/PriceDetails, then MinimumPrice must be absent in CorporateActionDetails/PriceDetails* *(MT 564 NVR Cxx).***

***If MinimumPrice is present in CorporateActionDetails/PriceDetails, then MinimumPrice must be absent in any occurences of CorporateActionOptionDetails/PriceDetails (MT 564 NVR Cxx).***

***If MaximumPrice is present in any occurences of CorporateActionOptionDetails/PriceDetails, then MaximumPrice must be absent in CorporateActionDetails/PriceDetails* *(MT 564 NVR Cxx).***

***If MaximumPrice is present in CorporateActionDetails/PriceDetails, then MaximumPrice must be absent in any occurences of CorporateActionOptionDetails/PriceDetails (MT 564 NVR Cxx).***

***If BidInterval is present in any occurences of CorporateActionOptionDetails/RateAndAmountDetails, then BidInterval must be absent in CorporateActionDetails/RateAndAmountDetails (MT 564 NVR Cxx).***

***If BidInterval is present in CorporateActionDetails/RateAndAmountDetails, then BidInterval must be absent in any occurences of CorporateActionOptionDetails/RateAndAmountDetails (MT 564 NVR Cxx).***

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG agrees with the business case and proposed solution and requests in addition that the related field :92a::BidIntervalRate present in both sequences D and E be submitted to the same NVR rule. |
| **Decision** |
| **Approved with comments** |

## CR 001785: Add new URL and Narrative for Specific Additional Information for Next Party in Chain

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Country: | CH Switzerland |
| **Sponsors** | |
| SMPG | |
| **Message type(s) impacted** | |
| MT 564, MT 568, seev.031 (CANO), seev.035 (CAPA) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received:  Percentage of messages impacted: 50  Commits to implement and when: CH in SR 2022 | |
| **Business context** | |
| A majority of account servicers, most prominently (I)CSD inform/instruct their direct participants/clients on how to interact with them regarding a corporate event.  These instructions may vary from providing a text description on how/which options to instruct and/or to providing dedicated URL links for such purposes.  At present, this information is provided under different qualifiers in the ADDINFO sequence, mostly TXNR or ADTX.  Such information is not destined to be passed STP down the chain of intermediaries, as account owners which are not direct participants of (I)CSD must not/cannot follow the same procedure.  As TXNR and ADTX also contains event information which normally is forwarded down the chain of intermediaries, the scrubbing/differentiation is very difficult and breaks STP processing. | |
| **Nature of change** | |
| We propose to create the following optional new qualifiers to enable account servicer to provide an URL link and text information to their immediate account owners/participants to enable or facilitate event processing between such parties.  MT 564 Seq. D CADETL  53. Field 70a: Narrative  Format  Option E :4!c//10\*35x (Qualifier)(Narrative)  Option G :4!c//10\*35z (Qualifier)(Narrative)  New optional and non-repeatable qualifier EPWI in format option E or G named "Event Processing Web Site"  Long description of EPWI:  Provides the web address belonging to the account servicer or a service provider containing information solely destined for the immediate account owner to enable or facilitate event processing between parties.  MT 564 Seq. F ADDINFO  101. Field 70a: Narrative  Format  Option E :4!c//10\*35x (Qualifier)(Narrative)    New optional and repeatable qualifier INTX in format option E named "Text only for the next intermediary"  Long description of INTX:  Provides additional information by the account servicer or a service provider solely destined for the next immediate account owner to enable or facilitate event processing between parties.  MT 568 Seq. C ADDINFO  30. Field 70a: Narrative  Format  Option E :4!c//10\*35x (Qualifier)(Narrative)  Option F :4!c//8000z  New optional and repeatable qualifier INTX respecting NVR C2 in format option E or F named "Text only for the next intermediary"  Long description of INTX:  Provides additional information by the account servicer or a service provider solely destined for the next immediate account owner to enable or facilitate event processing between parties. | |
| **Examples** | |
| Not provided | |

**SWIFT Comment**

|  |
| --- |
|  |

**Standards Illustration**

**1. ISO 15022 Illustration**

**1. In the MT 564 in sequence D in field :70a: Narrative, add a new optional and non-repeatable Event Processing Web Site Address (EPWI) narrative qualifier as defined and illustrated here below:**

**MT 564 Field Specifications**

53. Field 70a: Narrative

FORMAT

|  |  |  |
| --- | --- | --- |
| Option E | :4!c//10\*35x | (Qualifier)(Narrative) |
| Option G | :4!c//10\*35z | (Qualifier)(Narrative) |

PRESENCE

Optional in optional sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | OFFO | R |  | E | Offeror |
| 2 | O | WEBB | N |  | E or G | Web Site Address |
| 3 | O | NAME | N | C10 | E | Name |
| **4** | **O** | **EPWI** | **N** |  | **E or G** | **Event Processing Web Site Address** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| NAME | Name | Provides the new name of a company following a name change. |
| OFFO | Offeror | Provides the entity making the offer and is different from the issuing company. |
| WEBB | Web Site Address | Provides the web address published for the event, that is the address for the Universal Resource Locator (URL), for example, used over the www (HTTP) service. |
| **EPWI** | **Event Processing Web Site Address** | **Provides web address of an account servicer (or of a service provider) that contains information solely intended for the immediate account holder to enable or facilitate event processing between parties.** |

NETWORK VALIDATED RULES

Narrative for option G of this field may contain any character defined in the Z SWIFT character set. This character set contains the characters from both the SWIFT X and Y character sets plus the characters @, \_ and #. The following contains a complete list of all characters permitted in the Z character set.

abcdefghijklmnopqrstuvwxyz

ABCDEFGHIJKLMNOPQRSTUVWXYZ

0123456789

. , - ( ) / + ' = : ? @ \_ # Cr Lf Space { ! " % & \* ; < >

USAGE RULES

Unless bilaterally agreed or advised differently in the narrative qualifier definition for example, TXNR, narrative field 70a must not contain information that can be provided in a structured field.

**2. In the MT 564 in sequence F in field :70a: Narrative, add a new optional and repeatable Processing Text for Next Intermediary (PTNI) narrative qualifier as defined and illustrated here below:**

**MT 564 Field Specifications**

101. Field 70E: Narrative

FORMAT

|  |  |  |
| --- | --- | --- |
| Option E | :4!c//10\*35x | (Qualifier)(Narrative) |

PRESENCE

Optional in optional sequence F

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | ADTX | R | C4 | E | Additional Text |
| 2 | O | TXNR | R |  | E | Narrative Version |
| 3 | O | REGI | R |  | E | Registration Details |
| 4 | O | INCO | R |  | E | Information Conditions |
| 5 | O | COMP | R |  | E | Information to be Complied With |
| 6 | O | PACO | R |  | E | Party Contact Narrative |
| 7 | O | TAXE | R |  | E | Taxation Conditions |
| 8 | O | DISC | R |  | E | Disclaimer |
| 9 | O | BAIN | R |  | E | Basket or Index Information |
| 10 | O | CETI | R |  | E | Certification/Breakdown Narrative |
| **11** | **O** | **PTNI** | **R** |  | **E** | **Processing Text for Next Intermediary** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| ADTX | Additional Text | Provides additional information or specifies in more detail the content of a message. This field may only be used when the information to be transmitted, cannot be coded. |
| BAIN | Basket or Index Information | Provides additional information on the basket or index underlying a security, for example a warrant. |
| CETI | Certification/Breakdown Narrative | Provides additional information about the type of certification/breakdown required. |
| COMP | Information to be Complied With | Provides information conditions to the account owner that are to be complied with, for example, not open to US/Canadian residents, QIB or SIL to be provided. |
| DISC | Disclaimer | Provides a disclaimer relative to the information provided in the message. It may be ignored for automated processing. |
| INCO | Information Conditions | Provides conditional information related to the event, for example, an offer is subject to 50% acceptance, the offeror allows the securities holder to set some conditions. |
| PACO | Party Contact Narrative | Provides additional information regarding the party, for example, the contact unit or person responsible for the transaction identified in the message. |
| **PTNI** | **Processing Text for Next Intermediary** | **Provides additional information from the account servicer or a service provider solely intended for the next immediate account holder to enable or facilitate event processing between parties.** |
| REGI | Registration Details | Provides information required for the registration. |
| TAXE | Taxation Conditions | Provides taxation conditions that cannot be included within the structured fields of this message. |
| TXNR | Narrative Version | Provides information that can be ignored for automated processing; - reiteration of information that has been included within structured fields, - or narrative information not needed for automatic processing. |

USAGE RULES

Unless bilaterally agreed or advised differently in the narrative qualifier definition for example, TXNR, narrative field 70a must not contain information that can be provided in a structured field.

**3. In the MT 568 in sequence C in field :70a: Narrative, add a new optional and repeatable Processing Text for Next Intermediary (PTNI) narrative qualifier as defined and illustrated here below:**

**MT 568 Field Specifications**

30. Field 70a: Narrative

FORMAT

|  |  |  |
| --- | --- | --- |
| Option E | :4!c//10\*35x | (Qualifier)(Narrative) |
| Option F | :4!c//8000z | (Qualifier)(Narrative) |

PRESENCE

Mandatory in mandatory sequence C

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | ADTX | R | C2 | E or F | Additional Text |
| 2 | O | REGI | R | C2 | E or F | Registration Details |
| 3 | O | INCO | R | C2 | E or F | Information Conditions |
| 4 | O | COMP | R | C2 | E or F | Information to be Complied With |
| 5 | O | PACO | R | C2 | E | Party Contact Narrative |
| 6 | O | WEBB | R | C2 | E or F | Web Site Address |
| 7 | O | TAXE | R | C2 | E or F | Taxation Conditions |
| 8 | O | DISC | R | C2 | E or F | Disclaimer |
| 9 | O | TXNR | R | C2 | E or F | Narrative Version |
| 10 | O | CETI | R | C2 | E or F | Certification/Breakdown Narrative |
| **11** | **O** | **PTNI** | **R** | **C2** | **E or F** | **Processing Text for Next Intermediary** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| ADTX | Additional Text | Provides additional information or specifies in more detail the content of a message. This field may only be used when the information to be transmitted, cannot be coded. |
| CETI | Certification/Breakdown Narrative | Provides additional information about the type of certification/breakdown required. |
| COMP | Information to be Complied With | Provides information conditions to the account owner that are to be complied with, for example, not open to US/Canadian residents, QIB or SIL to be provided. |
| DISC | Disclaimer | Provides a disclaimer relative to the information provided in the message. It may be ignored for automated processing. |
| INCO | Information Conditions | Provides conditional information related to the event, for example, an offer is subject to 50% acceptance, the offeror allows the securities holder to set some conditions. |
| PACO | Party Contact Narrative | Provides additional information regarding the party, for example, the contact unit or person responsible for the transaction identified in the message. |
| **PTNI** | **Processing Text for Next Intermediary** | **Provides additional information from the account servicer or a service provider solely intended for the next immediate account holder to enable or facilitate event processing between parties.** |
| REGI | Registration Details | Provides information required for the registration. |
| TAXE | Taxation Conditions | Provides taxation conditions that cannot be included within the structured fields of this message. |
| TXNR | Narrative Version | Provides information that can be ignored for automated processing; - reiteration of information that has been included within structured fields of this message, - or narrative information not needed for automatic processing. |
| WEBB | Web Site Address | Provides the web address published for the event, that is the address for the Universal Resource Locator (URL), for example, used over the www (HTTP) service. |

NETWORK VALIDATED RULES

Narrative for option F of this field may contain any character defined in the 'z' SWIFT character set. This character set contains the characters from both the SWIFT 'x' and 'y' character sets plus the characters '@', '\_' and '#'. The following contains a complete list of all characters permitted in the 'z' character set.

abcdefghijklmnopqrstuvwxyz

ABCDEFGHIJKLMNOPQRSTUVWXYZ

0123456789

. , - ( ) / + ' = : ? @ \_ # Cr Lf Space { ! " % & \* ; < >

USAGE RULES

Extreme caution must be exercised when using this field with format option F because all characters can be in a continuous string, that is, there are 'no number of characters per line' limitations. The characters (Cr) and (Lf) may stand alone, that is, empty lines are allowed.

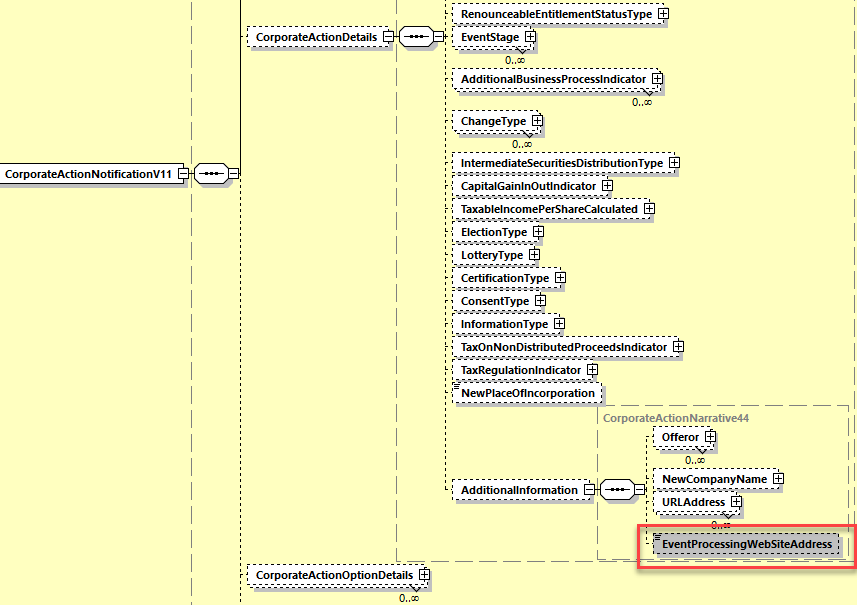
Moreover, usage of the character strings, (CrLf:) or (CrLf-) in this data element will signal the premature 'start of the next field' or signal the 'end of message text' respectively.

If Format Option F is used, the concerned qualifier then becomes non-repetitive.

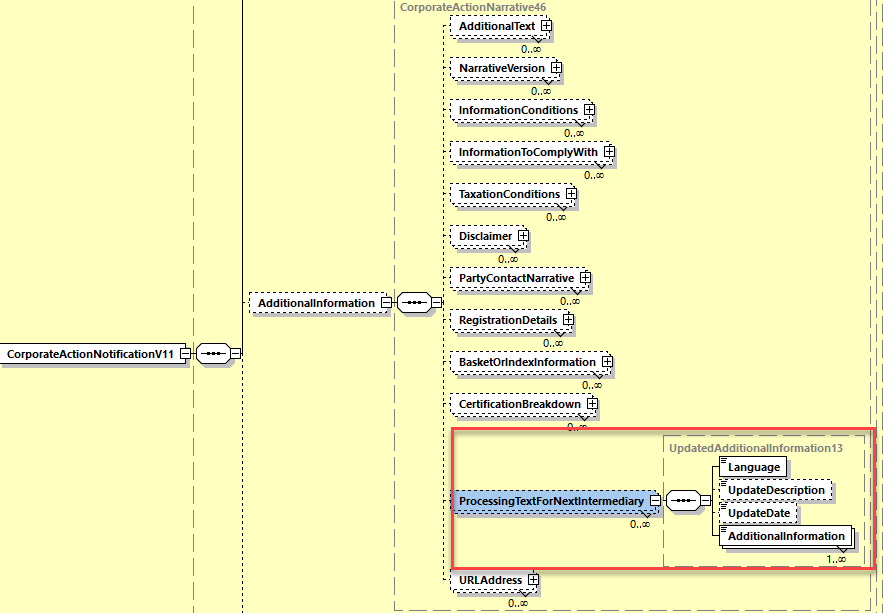
Unless bilaterally agreed, narrative field 70a must not contain information that can be provided in a structured field.

**2. ISO 20022 Illustration**

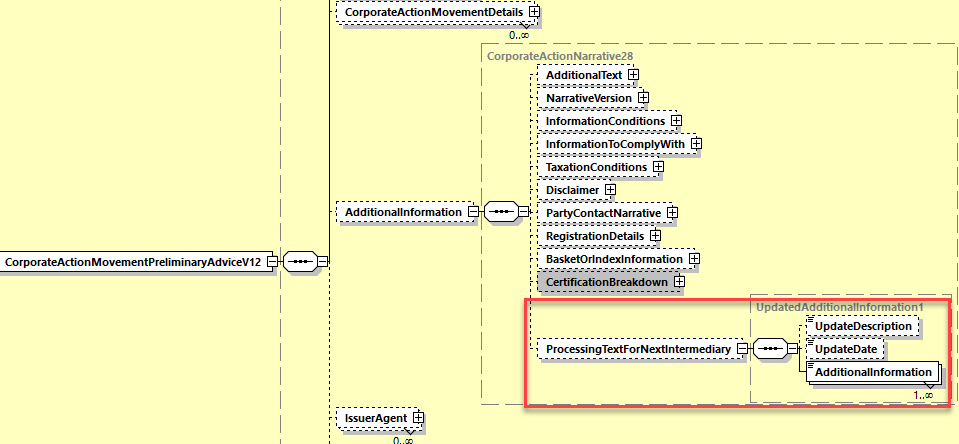
**1. In the seev.031 (CANO – CorporateActionNotification) message,** in the sequence *CorporateActionDetails/AdditionalInformation*, add a new optional and non-repeatable element ***EventProcessingWebSiteAddress*** typed by the data type ***Max2048Text*** and as defined in ISO 15022 above and as illustrated below:



**2. In the seev.031 (CANO – CorporateActionNotification) message,** in the sequence *AdditionalInformation*, add a new optional and repeatable element ***ProcessingTextForNextIntermediary*** typed by the data type *UpdatedAdditionalInformation13* and as defined in ISO 15022 above and as illustrated below:



**2. In the seev.035 (CANO – CorporateActionMovementPreliminaryAdvice) message,** in the sequence *AdditionalInformation*, add a new optional and non-repeatable element ***ProcessingTextForNextIntermediary*** typed by the data type *UpdatedAdditionalInformation1* and as defined in ISO 15022 above and as illustrated below:



**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| Despite some concerns from FR and US, the MWG agrees with the business case which is mainly triggered by SRDII and the need to better mark the difference between the narrative information provided by the issuers which must be conveyed down to the ultimate beneficiary and the information added by the service provider (ICSD’s) for its direct clients solely.  Today there is no other choice for the service provider than mixing this information with the information provided by the issuer and forcing the service provider to filter information that should not be forwarded to the next party in the chain. The MWG agree that this change brings added value for the service providers.  The MWG agrees with the proposed solution with the following remarks for ISO 20022 implementation: the mandatory Language element, UpdateDate and UpdateDescription are not needed for the new URL in the seev.031. For the sake of alignment with the other narratives, the Language code will be kept for the *ProcessingTextForNextIntermediary* element in the seev.031.  The MWG requests the SMPG to create a strong market practice to define clearly the usage of these new fields. |
|  |
| **CR approved** |

## CR 001772: Add new ADDB Indicator Code for REPE Messages

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Country: | FR France |
| **Sponsors** | |
| FR CA NMPG | |
| **Message type(s) impacted** | |
| MT 564 / seev.031 (CANO) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| HIGH  volume of daily REPE messages sent and received is very high | |
| **Commitment to implement the change** | |
| Number of messages sent and received: 30000000  Percentage of messages impacted: 95  Commits to implement and when: At least the French Market knowing that this Change Request is applicable globally to those who will use the new functionality requested in SR 2022 | |
| **Business context** | |
| The section 3.2.5. of the GMP 1 states that updates should be sent as REPE messages, not REPL, if a change in the event details is made after entitlement date/the account servicer has started to send REPE messages.  As a consequence, on a daily basis a lot of REPE messages are received and sent by all Corporate Actions actors involved in the communication chain.  Nevertheless, only a small part of these messages are related to a change in the terms of the event when 95 % or even more are just linked to an entitlement change or re-confirmation of it.  Knowing that, at each level, all parties are used to calculating eligibility by their own system, it would be useful to distinguish REPE messages where event details changed from REPE messages with entitlement change only.  The solution of using ADDB//CAPA indicator can't unfortunately allow to distinguish a REPE with entitlement change only from a REPE with event details change. Consequently a new ADDB code appears to be a better solution than changing the MP and the way to use REPL and REPE. | |
| **Nature of change** | |
| Create a new ADDB indicator (in both 15022 and 20022) to only be used for REPE messages to highlight that:  - option 1: the entitlement message contains a change in the event details (e.g. ADDB//EVNT)  - option 2: the entitlement message without any changes in the event details (e.g. ADDB//ENTL).  This second option would allow potential recipients to subscribe or not to these messages | |
| **Workaround** | |
| No existing work around | |
| **Examples** | |
|  | |

**SWIFT Comment**

|  |
| --- |
| Since the new ADDB code proposed in this CR should be used exclusively with an entitlement message (REPE), adding a new NVR would be required to enforce it.  Also, it is assumed that the new ADDB indicator should not be used for pre-advice of movements (CAPA/seev.035) since at this stage, a change of event terms is not possible; i.e. ADDB//EVNT should not be used with an MT 564 with ADDB//CAPA (i.e. with an seev.035).  The option 2 implementation solution proposed would probably have a much bigger impact on the community since it would require the presence of the new code ADDB//ENTL in most of the REPE message sent since a change in the terms of the event at this stage is probably less likely to happen. |

**Standards Illustration**

**1. ISO 15022 Illustration**

**Implementation Option 1: New ADDB//EVNT code**

1. **In the MT 564 in sequence D in field 22F indicator, add a new code value EVNT (Event Terms Update) for qualifier ADDB Additional Business Process Indicator as defined and illustrated here below:**

**MT 564 Field Specifications**

51. Field 22F: Indicator

FORMAT

|  |  |  |
| --- | --- | --- |
| Option F | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Indicator) |

PRESENCE

Optional in optional sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | DIVI | N |  | F | Dividend Type Indicator |
| 2 | O | CONV | N |  | F | Event Sequence Type Indicator |
| 3 | O | DITY | N |  | F | Occurrence Type Indicator |
| 4 | O | OFFE | R |  | F | Offer Type Indicator |
| 5 | O | SELL | N |  | F | Renounceable Status of Entitlement Indicator |
| 6 | O | ESTA | R |  | F | Corporate Action Event Stage |
| 7 | O | ADDB | R | C14, C15, C17  **C24** | F | Additional Business Process Indicator |
| 8 | O | CHAN | R | C10 | F | Change Type Indicator |
| 9 | O | RHDI | N | C11 | F | Intermediate Securities Distribution Type Indicator |
| 10 | O | ECIO | N |  | F | Capital Gain In/Out Indicator |
| 11 | O | TDTA | N |  | F | TID/TIS Calculated Indicator |
| 12 | O | ELCT | N |  | F | Election Type Indicator |
| 13 | O | LOTO | N |  | F | Lottery Type |
| 14 | O | CEFI | N |  | F | Certification Format Indicator |
| 15 | O | CONS | N |  | F | Consent Type Indicator |
| 16 | O | INFO | N |  | F | Information Type Indicator |
| 17 | O | TNDP | N |  | F | Tax On Non-Distributed Proceeds Indicator |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| ADDB | Additional Business Process Indicator | Specifies the additional business process linked to a corporate action event such as a claim compensation or tax refund. |
| CEFI | Certification Format Indicator | Specifies the certification format required, that is, physical or electronic format. |
| ….. |  |  |
| TNDP | Tax On Non-Distributed Proceeds Indicator | Specifies the tax regulation being attributed to the non-distributed proceeds event. |

CODES

If Qualifier is ADDB and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

|  |  |  |
| --- | --- | --- |
| ACLA | Automatic Market Claims | Will automatically give rise to market claims by the account servicer (typically, a CSD). |
| ATXF | Subject to Transformation | As a result of the Corporate Action, all transactions in the underlying security will be cancelled by the system and replaced with transactions in the outturn resource(s). |
| CAPA | Preliminary Advice of Payment | The message is a preliminary advice of payment. |
| CLAI | Claim or Compensation | Relates to a claim on the associated corporate action event. |
| CNTR | Cancel Underlying Trades | As a result of the Corporate Action, all transactions in the underlying security will be cancelled by the system. |
| CONS | Consent | Relates to a consent within a corporate action event other than a Consent event (:22F::CAEV//CONS). |
| **EVNT** | **Event Terms Update** | **The entitlement message contains a change in the terms of the event.** |
| FPRE | Full Pre-Funding | Full pre-funding of a debt instrument by the issuer prior to original maturity when the issuer deposits assets in trust. Applicable only in the frame of a partial defeasance corporate action event. |
| NAMC | No Automatic Market Claims and Transformations | The event will not automatically give rise to market claims and transformations by the account servicer (typically, a CSD). |
| NPLE | No Split Election | The issuer only allows a single option to be selected per designated holding. |
| PPRE | Partial Pre-Funding | Partial pre-funding of a debt instrument prior to maturity drawn through a lottery process. One new security is issued with an earlier maturity date for the refunded (called portion) and the other new security is issued with the original maturity date for the non refunded (remaining) portion. Applicable only in the frame of a partial defeasance corporate action event . |
| PPUT | Partial Mandatory Put Redemption | Partial mandatory exchange of a portion of bonds where the exchanged securities are usually remarketed. The issuer may offer holders the right to retain instead of exchanging their securities. A lottery will be used to determine eligibility for the event. |
| REAC | Required Action | Proceeds/entitlements of the mandatory event can only be paid if specified action is taken by the account owner. |
| REVR | Reversal | Notification of a reversal. |
| SCHM | Scheme/Plan of Arrangement | Component event of a scheme/plan of arrangement: a reorganisation of a company or a group of companies, and their capital. |
| TAXR | Tax Refund | Relates to a tax refund from the authorities on the associated corporate action event. |

1. **In the MT 564, add the new NVR C24 as defined below:**

**C24**

**In sequence D, if :22F::ADDB//EVNT is present, then in sequence A, field :23G:REPE must be present and in sequence D, field :22F::ADD//CAPA must not be present.**

| **Sequence D, if field:22F::ADDB//EVNT is ...** [**(1)**](file:///C:\No_Backup\DOCUMENTATION\2021_Final\books\us5mc\aldd.htm#foot1036) | **Then in sequence A, field :23G:REPE is ...** | **And in sequence D, field :22F::ADDB//CAPA is ...** |
| --- | --- | --- |
| **Present** | **Mandatory** | **Not Allowed** |
| **Not present** | **Not applicable** | **Not Applicable** |

**(1)** **if the Data Source Scheme is present in field :22F::ADDB, then the conditional rule does not apply.**

**Implementation Option 2: New ADDB//ENTL code**

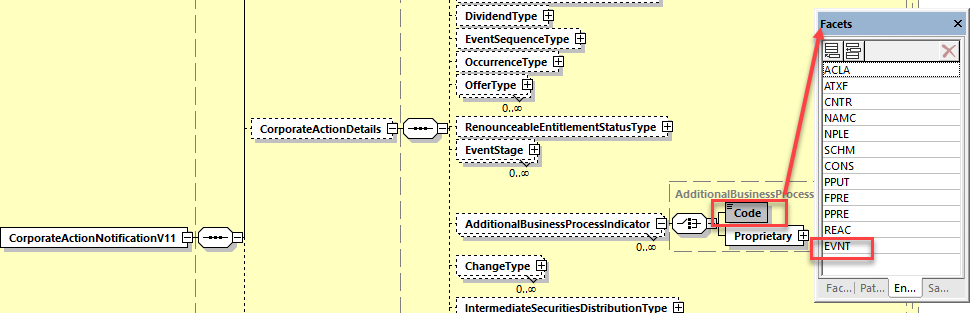
**Same implementation as proposed above with the new ADDB code ENTL instead of EVNT and the new C24 NVR.**

**In the MT 564 in sequence D in field 22F indicator, add a new code value ENTL for qualifier ADDB Additional Business Process Indicator as defined and illustrated here below:**

|  |  |  |
| --- | --- | --- |
| **ENTL** | **Entitlement Without Event Term Change** | **The entitlement message does not contain any change in the event details.** |

**2. ISO 20022 Illustration**

**1. In the seev.031 (CANO – CorporateActionNotification) message,** in the *CorporateActionDetails* building block, add a new EVNT code to the data type AdditionalBusinessProcess5Code typing the AdditionalBusinessProcessIndicator element as defined in ISO 15022 above and as illustrated below:



**2. In the seev.031 (CANO – CorporateActionNotification) message, in the root of the message, add a new cross element validation rule as follows:**

*If in one occurrence of CorporateActionDetails/AdditionalInformation, the code value EVNT is present, then, NotificationGeneralInformation/NotificationType/REPL must be present and NotificationGeneralInformation/EligilbleBalanceIndicator must be present and must be “true” or “1” (MT564 Rule C24).*

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The business case is not clear and convincing enough at this stage for most of the MWG members, therefore the MWG rejects the CR.  Indeed, if the ADDB//EVNT indicator is not present in a REPE message, it does not guarantee that there is no change in the event details. The recipient of the message will very likely still continue to scrub the message to be sure there is no updates in the event details as its liability towards its clients will be engaged. So, it is rather risky to trust the indicator as a recipient.  DE, BE and the US indicate that the same result can be achieved today by SLA specifying that a REPL message be used if the event details change even after a REPE is sent (although not allowed in global MP).  Moreover this problem is already solved in ISO 20022 since there is no explicit REPE function but rather an “eligible balance indicator” for the notification (seev.031) and a REPL can always be used. The same applies with the seev.035 (CAPA) message where a REPL can always be sent.  In the second solution option (ADDB//ENTL or ADDB//ELIG indicator), which is the preferred option for FR (in order to indicate whether there is a change in the entitlement), again, this will not guarantee that there is no change in the event details either and the same result can be more easily achieved simply with an SLA requesting to not send an MT564 REPE when only the entitlements have changed). |
| **Decision** |
| **CR Rejected** |

## CR 001776: Add new ADDB Indicator Code for Meeting Incentive Payment

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | SMPG |
| **Sponsors** | |
| SMPG | |
| **Message type(s) impacted** | |
| MT 564, MT 566, seev.031 (CANO), seev.035 (CAPA), seev.036 (CACO) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: 150  Percentage of messages impacted: 100  Commits to implement and when: Major global custodians in SR 2022 | |
| **Business context** | |
| Some general meetings (e.g in Spain) are announced with an incentive premium. Rightholders may benefit of a payment in case they vote or vote in certain direction, according depending on the terms of the event.  The payment of such incentives is announced and processed via a CONS event. | |
| **Nature of change** | |
| To correctly identify such events as related to votes lodged for a meeting with incentive premium, we would like to request the creation of a dedicated 22F::ADDB code in sequence D of the MT564 and sequence C of the MT566. | |
| **Workaround** | |
| Currently, the payment of the incentive premium is announced with CAEV CONS with the linkage to the meeting ID of the general meeting. Further explanations are provided in narratives. | |
| **Examples** | |
| Iberdrola - ES0144580Y14  Ercros ES0125140A14  Iberpapel - ES0147561015  Vidrala - ES0183746314  Viscofan - ES0184262212 | |

**SWIFT Comment**

|  |
| --- |
| Since the new ADDB code proposed in this CR should be used exclusively with Consent (CONS) event, adding a new NVR would be required to enforce it. |

**Standards Illustration**

**1. ISO 15022 Illustration**

1. **In the MT 564 in sequence D and in MT 566 in sequence C, in field 22F indicator, add a new code value INCP (Incentive Payment) for qualifier ADDB Additional Business Process Indicator as defined and illustrated here below:**

**MT 564 Field Specifications**

51. Field 22F: Indicator

FORMAT

|  |  |  |
| --- | --- | --- |
| Option F | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Indicator) |

PRESENCE

Optional in optional sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | DIVI | N |  | F | Dividend Type Indicator |
| 2 | O | CONV | N |  | F | Event Sequence Type Indicator |
| 3 | O | DITY | N |  | F | Occurrence Type Indicator |
| 4 | O | OFFE | R |  | F | Offer Type Indicator |
| 5 | O | SELL | N |  | F | Renounceable Status of Entitlement Indicator |
| 6 | O | ESTA | R |  | F | Corporate Action Event Stage |
| 7 | O | ADDB | R | C14, C15, C17  **C25** | F | Additional Business Process Indicator |
| 8 | O | CHAN | R | C10 | F | Change Type Indicator |
| 9 | O | RHDI | N | C11 | F | Intermediate Securities Distribution Type Indicator |
| 10 | O | ECIO | N |  | F | Capital Gain In/Out Indicator |
| 11 | O | TDTA | N |  | F | TID/TIS Calculated Indicator |
| 12 | O | ELCT | N |  | F | Election Type Indicator |
| 13 | O | LOTO | N |  | F | Lottery Type |
| 14 | O | CEFI | N |  | F | Certification Format Indicator |
| 15 | O | CONS | N |  | F | Consent Type Indicator |
| 16 | O | INFO | N |  | F | Information Type Indicator |
| 17 | O | TNDP | N |  | F | Tax On Non-Distributed Proceeds Indicator |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| ADDB | Additional Business Process Indicator | Specifies the additional business process linked to a corporate action event such as a claim compensation or tax refund. |
| CEFI | Certification Format Indicator | Specifies the certification format required, that is, physical or electronic format. |
| ….. |  |  |
| TNDP | Tax On Non-Distributed Proceeds Indicator | Specifies the tax regulation being attributed to the non-distributed proceeds event. |

CODES

If Qualifier is ADDB and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

|  |  |  |
| --- | --- | --- |
| ACLA | Automatic Market Claims | Will automatically give rise to market claims by the account servicer (typically, a CSD). |
| ATXF | Subject to Transformation | As a result of the Corporate Action, all transactions in the underlying security will be cancelled by the system and replaced with transactions in the outturn resource(s). |
| CAPA | Preliminary Advice of Payment | The message is a preliminary advice of payment. |
| CLAI | Claim or Compensation | Relates to a claim on the associated corporate action event. |
| CNTR | Cancel Underlying Trades | As a result of the Corporate Action, all transactions in the underlying security will be cancelled by the system. |
| CONS | Consent | Relates to a consent within a corporate action event other than a Consent event (:22F::CAEV//CONS). |
| FPRE | Full Pre-Funding | Full pre-funding of a debt instrument by the issuer prior to original maturity when the issuer deposits assets in trust. Applicable only in the frame of a partial defeasance corporate action event. |
| **INCP** | **Incentive Premium Payment** | **The event is a payment of an incentive premium related to the voting conditions prescribed at a general meeting.** |
| NAMC | No Automatic Market Claims and Transformations | The event will not automatically give rise to market claims and transformations by the account servicer (typically, a CSD). |
| NPLE | No Split Election | The issuer only allows a single option to be selected per designated holding. |
| PPRE | Partial Pre-Funding | Partial pre-funding of a debt instrument prior to maturity drawn through a lottery process. One new security is issued with an earlier maturity date for the refunded (called portion) and the other new security is issued with the original maturity date for the non refunded (remaining) portion. ApplicableINCP only in the frame of a partial defeasance corporate action event . |
| PPUT | Partial Mandatory Put Redemption | Partial mandatory exchange of a portion of bonds where the exchanged securities are usually remarketed. The issuer may offer holders the right to retain instead of exchanging their securities. A lottery will be used to determine eligibility for the event. |
| REAC | Required Action | Proceeds/entitlements of the mandatory event can only be paid if specified action is taken by the account owner. |
| REVR | Reversal | Notification of a reversal. |
| SCHM | Scheme/Plan of Arrangement | Component event of a scheme/plan of arrangement: a reorganisation of a company or a group of companies, and their capital. |
| TAXR | Tax Refund | Relates to a tax refund from the authorities on the associated corporate action event. |

1. **In the MT 564, and in the MT 566 add the new NVR as defined below for MT 564:**

**C25**

**In sequence D, if :22F::ADDB//INCP is present, then in sequence A, field :22F::CAEV//CONS must be present.**

| **Sequence D, if field:22F::ADDB//INCP is ...** [**(1)**](file:///C:\No_Backup\DOCUMENTATION\2021_Final\books\us5mc\aldd.htm#foot1036) | **Then in sequence A, field :22F::CAEV//CONS is ...** |
| --- | --- |
| **Present** | **Mandatory** |
| **Not present** | **Not applicable** |

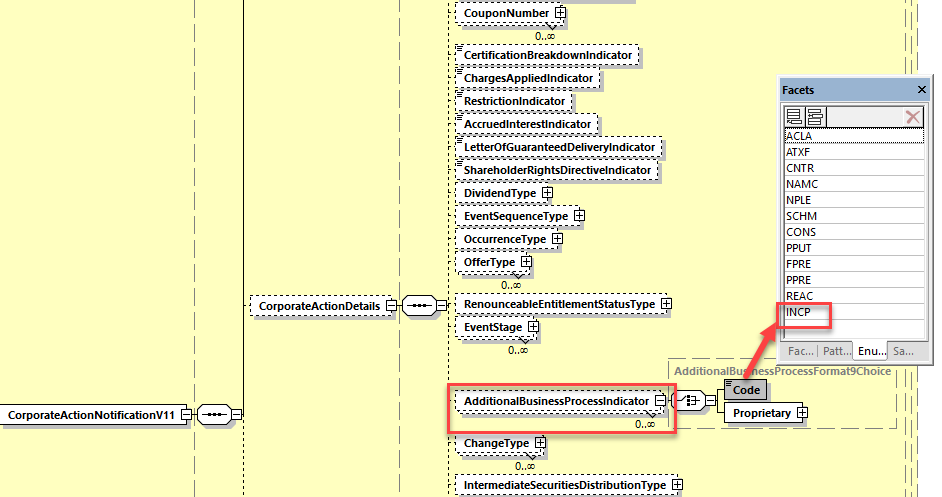
**(1)   if the Data Source Scheme is present in field :22F::ADDB, then the conditional rule does not apply.**

**2. ISO 20022 Illustration**

**1. In the seev.031 (CANO – CorporateActionNotification)** message, in the sequence *CorporateActionDetails/AdditionalBusinessProcessIndicator*, add a new code value INCP in the data type *AdditionalBusinessProcess5Code* of the Code element as defined in ISO 15022 above and as illustrated below.

**2. In the seev.035 (CAPA – CorporateActionMovementPreliminaryAdvice)** message, in the sequence *CorporateActionDetails/AdditionalBusinessProcessIndicator*, add a new code value INCP in the data type *AdditionalBusinessProcess6Code* of the Code element as defined in ISO 15022 above and as illustrated below.

**3. In the seev.036 (CACO – CorporateActionMovementConfirmation)** message, in the sequence *CorporateActionDetails/AdditionalBusinessProcessIndicator*, add a new code value INCP in the data type *AdditionalBusinessProcess7Code* of the Code element as defined in ISO 15022 above and as illustrated below:



**In the seev.031 (CANO – CorporateActionNotification) message,**

**In the seev.035 (CAPA – CorporateActionMovementPreliminaryAdvice)** message and in

**the seev.036 (CACO – CorporateActionMovementConfirmation)** message,

in the root of the message, add a new cross element validation rule as follows:

***If in one occurrence of CorporateActionDetails/AdditionalInformation, the code value is INCP (Incentive Premium Payment), then CorporateActionGeneralInformation/EventType/Code must be CONS (Consent) (MT56x Rule Cxx).***

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG agrees with the business case and the fact that there is something missing in the CA or GM messages to be able to confirm the payment of meeting incentives.  However, DE, LU, XS and US do not agree with the proposed solution as it forces to use the CA message set in MT to solve an issue in general meetings/MX messages. They would rather prefer to create a new specific ISO 20022 GM message specifically for this.  Since the creation of a new GM message cannot be achieved before 2023, the proposed solution in the notification and confirmation messages seems to be the best option so far.  The MWG finally approves the solution as a temporary one with the proposed design and the addition of an NVR to restrict the usage of the indicator to the CONS event. |
| **Decision** |
| **CR Approved** |

## CR 001793: Add new OFFE Indicator code when Dissenters Rights are Not Applicable

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| MT 564, seev.031 (CANO) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: US in SR 2022 | |
| **Business context** | |
| DTC is requesting that a new flag be created within Option Level / 17B: Dissenters Rights because there has been demand to report when Dissenters Rights are NOT applicable. This cannot be conveyed with the current :22F Offer Type DISS indicator as it only displays when they are applicable. There may be discussion whether this current indicator should be eliminated and replaced by the 17B flag or just a new field. DTC and ISITC could accept either solution. This may also broaden the request to look at all Indicators and discuss whether other indicators should be Yes / No Flags. | |
| **Nature of change** | |
| MT564 / CANO Create new Option Level 17B Flag for Dissenters Rights DISS - States whether for particular option if Dissenters Rights are applicable. | |
| **Workaround** | |
| The only workaround on the MT564 to infer that if the Offer Type DISS is not on the message then it does not apply. DTCC has coded an extension flag data element to handle this temporarily. | |
| **Examples** | |
|  | |

**SWIFT Comment**

|  |
| --- |
| If we opt for a flag, shall this :17B:DISS flag in the MT564 in sequence E replace the :22F:OFFE//DISS indicator and therefore shall we apply the same change in the sequence D and remove :22F::OFFE//DISS ?  If yes, the change should also be applied in the MT 566 since :22F::OFFE//DISS is present in sequence C (and not in D) unless we remove this DISS Offer type from the MT566 as it does not seem very useful and is not present in the seev.036 (CACO) message anyway.  For ISO 20022, this CR should also be applicable to the seev.035 (CAPA) message as the DissentersRightsIndicator is present in it. |

**Standards Illustration**

**1. ISO 15022 Illustration**

**1. In the MT 564 in sequence D in field :22F: Indicator, add an code NDIS to OFFE qualifier as defined and illustrated below:**

**MT 564 Field Specifications**

51. Field 22F: Indicator

FORMAT

|  |  |  |
| --- | --- | --- |
| Option F | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Indicator) |

PRESENCE

Optional in optional sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | DIVI | N |  | F | Dividend Type Indicator |
| 2 | O | CONV | N |  | F | Event Sequence Type Indicator |
| 3 | O | DITY | N |  | F | Occurrence Type Indicator |
| 4 | O | OFFE | R |  | F | Offer Type Indicator |
| 5 | O | SELL | N |  | F | Renounceable Status of Entitlement Indicator |
| 6 | O | ESTA | R |  | F | Corporate Action Event Stage |
| 7 | O | ADDB | R | C14, C15, C17 | F | Additional Business Process Indicator |
| 8 | O | CHAN | R | C10 | F | Change Type Indicator |
| …. | …. | …. |  |  |  | …. |
| 16 | O | INFO | N |  | F | Information Type Indicator |
| 17 | O | TNDP | N |  | F | Tax On Non-Distributed Proceeds Indicator |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| ADDB | Additional Business Process Indicator | Specifies the additional business process linked to a corporate action event such as a claim compensation or tax refund. |
| CEFI | Certification Format Indicator | Specifies the certification format required, that is, physical or electronic format. |
| …. | …… | ….. |
| INFO | Information Type Indicator | Specifies the type of information event. |
| LOTO | Lottery Type | Specifies the type of lottery announced. |
| OFFE | Offer Type Indicator | Specifies the conditions that apply to the offer. |
| RHDI | Intermediate Securities Distribution Type Indicator | Intermediates securities distribution type. |
| SELL | Renounceable Status of Entitlement Indicator | Specifies whether terms of the event allow resale of the rights. |
| TDTA | TID/TIS Calculated Indicator | Specifies whether the fund calculates the taxable income per dividend/taxable income per share. |
| TNDP | Tax On Non-Distributed Proceeds Indicator | Specifies the tax regulation being attributed to the non-distributed proceeds event. |

CODES

If Qualifier is OFFE and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

|  |  |  |
| --- | --- | --- |
| DISS | Dissenter's Rights | Securities' holder has the right to disagree with a mandatory event. This right is not inherent in all offers and therefore must be noted in announcements only when applicable. |
| ERUN | Restriction Exchange | Exchange of Restricted to Unrestricted (or vice versa). |
| FCFS | First Come First Served | Securities will be accepted in the order they have been submitted until the target number of quantity sought is reached. |
| FINL | Final Offer | Final or last offer to holders subject to offer conditions being reached, for example, 50% accepted on a tender. |
| **NDIS** | **Dissenter’s Rights Not Applicable** | **Dissenter’s rights are not applicable for this offer.** |
| PART | Partial Offer | Partial offer. |
| SQUE | Squeeze Out Bid | Offer launched by a company, in possession of a large number of the shares (90% - 95%) of a company (generally as a result of a tender offer), in order to acquire the remaining shares of that company. |

**2. In the MT 564 in sequence E in field :22F: Indicator, add an code NDIS to OFFE qualifier as defined and illustrated below:**

CODES

If Qualifier is OFFE and Data Source Scheme is not present, Indicator must contain one of the following codes (Error code(s): K22):

|  |  |  |
| --- | --- | --- |
| DISS | Dissenter's Rights | Securities' holder has the right to disagree with a mandatory event. This right is not inherent in all offers and therefore must be noted in announcements only when applicable. |
| ERUN | Restriction Exchange | Exchange of Restricted to Unrestricted (or vice versa). |
| FCFS | First Come First Served | Securities will be accepted in the order they have been submitted until the target number of quantity sought is reached. |
| FINL | Final Offer | Final or last offer to holders subject to offer conditions being reached, for example, 50% accepted on a tender. |
| **NDIS** | **Dissenter’s Rights Not Applicable** | **Dissenter’s rights are not applicable for this option of the offer.** |
| PART | Partial Offer | Partial offer. |
| SQUE | Squeeze Out Bid | Offer launched by a company, in possession of a large number of the shares (90% - 95%) of a company (generally as a result of a tender offer), in order to acquire the remaining shares of that company. |

1. **In the MT 564, add the following new NVR rules on the OFFE qualifier in sequences D and E:**

**Cxx**

**In sequence D, if field :22F::OFFE//DISS is present, then field :22F::OFFE//NDIS is not allowed (Error code(s): XX).**

| **In sequence D if field :22F::OFFE//DISS is ...** | **then field :22F::OFFE//NDIS is ...** |
| --- | --- |
| **Present** | **Not allowed** |
| **Not present** | **Optional** |

**Cyy**

**In each occurrences of sequence E, if field :22F::OFFE//DISS is present, then in same occurrence of sequence E, field :22F::OFFE//NDIS is not allowed (Error code(s): YY).**

| **In each occurrence of sequence E if field :22F::OFFE//DISS is ...** | **then in same occurrence of sequence E, field :22F::OFFE//NDIS is ...** |
| --- | --- |
| **Present** | **Not allowed** |
| **Not present** | **Optional** |

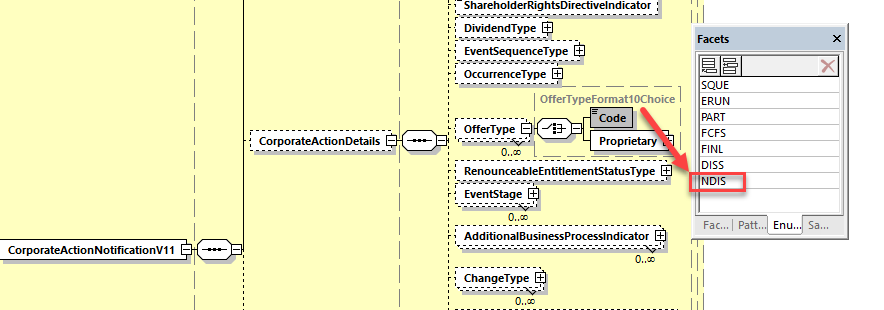
**Czz**

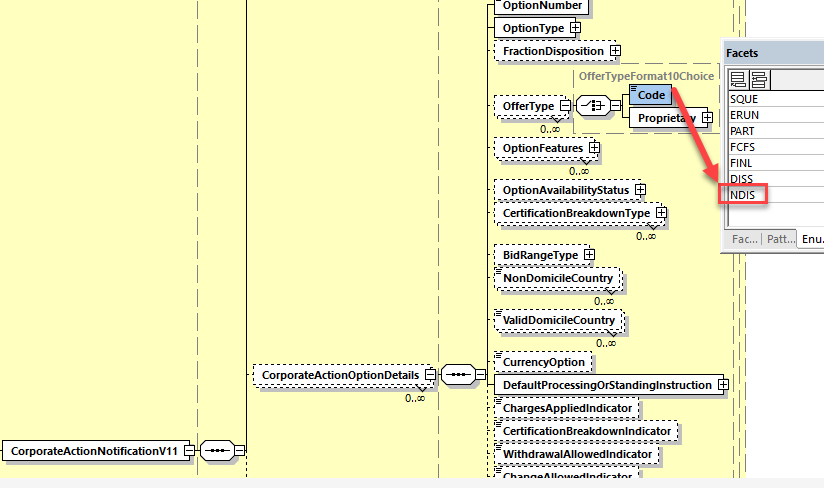
**In any occurrence of sequence E, if field :22F::OFFE//DISS or field 22F::OFFE//NDIS is present, then in sequence D, field :22F::OFFE//DISS or field :22F::OFFE//NDIS are not allowed (Error code(s): ZZ).**

| **In any occurrence of sequence E if field :22F::OFFE//DISS or field :22F::OFFE/NDIS is ...** | **then in sequence D, field :22F::OFFE//DISS or :22F::OFFE//NDIS are ...** |
| --- | --- |
| **Present** | **Not allowed** |
| **Not present** | **Optional** |

**2. ISO 20022 Illustration**

**1) In the seev.031 (CANO – CorporateActionNotification) message,** in the sequence ***CorporateActionDetails***and sequence***CorporateActionOptionDetails***, add a new NDIS code in the code list data type of the ***OfferType/Code*** element as defined above in ISO 15022 and as illustrated here below:





**2) In the seev.031 (CANO – CorporateActionNotification) message,** in the sequence ***CorporateActionDetails***and sequence***CorporateActionOptionDetails***, add new cross element rules so as to prevent the sumultaneous presence of codes DISS and NDIS in element OfferType/Code.

**3) In the seev.031 (CANO – CorporateActionNotification) message,** in the top of the message, add a new cross element rule (to be checked if feasible) or textual rule so as to prevent in sequence D the presence of the DISS or NDIS code in the OfferType/Code element when OfferType/Code is present in any occurrence of sequence E.

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| ISITC presents the business case which may concern potentially thousands of events per year. DE, CH and LU do not agree with the business case and the need for an explicit indicator when the dissenters rights do not apply.  However it seems that it is a requirement in the US market to explicitly communicate that information.  To avoid a conflict between the introduction of a new flag and the presence of the OFFE//DISS indicator, UK and CH propose instead to add a new :22F::OFFE//NDIS indicator code.  The whole MWG finally agrees with this alternative NDIS indicator code solution. The change will apply solely on :22F::OFFE in both sequences D and E in the MT564 and in the seev.031.  The MWG requests also that two new NVRs be created in MT 564 so as to prevent that:   1. since :22F::OFFE is repeatable, OFFE/DISS and OFFE//NDIS be present simultaneously 2. when the OFFE//DISS or NDIS code is present in any occurrence of sequence E, OFFE//DISS or NDIS cannot be present in sequence D.   However, it will **not** be applied on the MT 566, seev.035 and seev.036 as the :22F::OFFE indicator should rather be removed from these messages. This should however be done in a separate CR for SR2023.  The MWG requests that the SMPG creates a specific market practice for its usage. |
| **Decision** |
| **Approved with alternative solution.** |

## CR 001791: Add new Other Type of Income Qualifier in Movements Sequences

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| MT 564, MT 566, seev.031 (CANO), seev.035 (CAPA), seev.036 (CACO) | |
| **Complies with regulation** | |
| Country, community or group that is committed to use this change | |
| **Business impact of this request** | |
| Medium | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not Provided  Percentage of messages impacted: Not Provided  Commits to implement and when: DTCC in SR 2022 | |
| **Business context** | |
| DTCC currently utilizes the Income Code field within the MT564 / CANO message to display the IRS Tax code applicable to events in the US Market. DTC will also begin including the CRAX Income Code, which is the Canadian Revenue Agency’s NR4 Income Code use to report payments made to non-resident Canadians. The CRAX Income Code can be used to identify Canadian source payments, NR4 reporting if you are a Canadian withholding agent, or to file for tax refunds with the Canadian Revenue Agency if you are a non-resident for Canadian tax purposes. Please be advised that the CRAX data source scheme list of tax codes has been registered within ISO15022 and ISO 20022 in support of this initiative.  There are situations where there can be both a US and Canadian Income Type code for the same movement. There is no way in the standard to announce this in this manner. DTCC is simply asking to make the field repetitive so the IRS code(IRSX) and the Canadian Revenue Authority Code (CRAX) can be reported in the announcement within the same movement. As of SR2021, DTCC will utilize an extension to handle a case where there is both a US and Canadian applicable income type code. DTCC is asking to make the Income Type field repetitive so we do not have to use an extension, as MT clients do not have access to this capability. This change will benefit all recipients of DTCC Announcements to better understand the US and Canadian Tax components for certain Canadian events handled by DTCC. | |
| **Nature of change** | |
| MT564 22A: Indicator ITYP Type of Income make repetitive within both Securities and Cash Movements Sequence | |
| **Workaround** | |
| DTCC currently utilizing extensions to convey the second occurrence of the ITYP indicator when both US and Global Income Reporting Classifications exist. However, this extension information cannot be used for downstream MT 564 users. | |
| **Examples** | |
| CRAX Income Code Examples  CA ID 125380773  Canadian Tire Corporation Cash Dividend  Record Date 04/30/2021  Payable Date 06/01/2021  Cash Rate $1.175 CAD  IRSX Code 08 Dividends paid by foreign corporations  CRAX Code 09 Dividends – Other  Canadian Tire Corporation declared a cash dividend and its subject to Canadian withholding tax for non-Canadian holders. It is reported with 09 for NR4 tax reporting purposes, which is the non-resident Canadian tax form. The non-resident will need to know the NR4 Income code if they are due a lower favourable tax treaty rate. They would want to file a tax reclaim with the Canadian Revenue Agency. For US tax purposes, it is reported as foreign income with 08 in the IRS 1042-S form, which for US tax purposes have unique reporting rules for US income tax purposes.  Record Detail Page – 124217961  Brookfield Infrastructure Partners L.P.  Record Date 11/30/2020  Payable Date 12/31/2020  Cash Rate $0.0304 USD | 4850 USD Total declared by the issuer  IRSX Code 04 Interest paid by foreign corporations  CRAX Code 62 Non-arm’s length interest payments  Brookfield Infrastructure Partners L.P. is a Publicly Traded Partnership that provides Qualified Notices to indicate that it has no effectively connected income and its cash distribution is subject to multiple tax classifications for U.S. tax purposes. This example is shows part of their distribution is made up of Canadian source non-arm’s length interest payments, which is subject 25% withholding unless the applicable holder is Canadian or applicable tax treaty benefits. For U.S. Tax purposes ,it is view as foreign interest subject to US income tax treatment. | |

**SWIFT Comment**

|  |
| --- |
| Since the Type of Income element (:22F::ITYP) is also present in the MT566 message in both movement sequences as well similarly to the MT564, we strongly recommend to apply the CR also on the MT566. |

**Standards Illustration**

**1. ISO 15022 Illustration**

**1. In the MT 564 in sequences E1 and E2 and in the MT 566 in sequences D1 and D2, add a new optional and repeatable qualifier :22F::OTYP (Other Type of Income) as illustrated below for the MT 564 in sequence E1 and for the MT 566 in sequence E2:**

**MT 564 Field Specifications**

68. Field 22a: Indicator

FORMAT

|  |  |  |
| --- | --- | --- |
| Option F | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Indicator) |
| Option H | :4!c//4!c | (Qualifier)(Indicator) |

PRESENCE

Mandatory in optional subsequence E1

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | M | CRDB | N |  | H | Credit/Debit Indicator |
| 2 | O | TEMP | N |  | F | Temporary Indicator |
| 3 | O | NELP | N |  | F | Non Eligible Proceeds Indicator |
| 4 | O | TXAP | N |  | F | Issuer/Offeror Taxability Indicator |
| 5 | O | NSIS | N |  | H | New Securities Issuance Indicator |
| 6 | O | ITYP | N |  | F | Type of Income |
| 7 | O | ETYP | R |  | F | Type of Exemption |
| **8** | **O** | **OTYP** | **R** |  | **F** | **Other Type of Income** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| CRDB | Credit/Debit Indicator | Specifies whether the value is a debit or credit. |
| ETYP | Type of Exemption | Specifies the basis for the reduced rate of withholding. |
| ITYP | Type of Income | Specifies the type of income. |
| NELP | Non Eligible Proceeds Indicator | Specifies information regarding outturn resources that cannot be processed by the CSD. Special delivery instruction is required from the account owner for the CA outcome to be credited. |
| NSIS | New Securities Issuance Indicator | Indicates whether the securities are newly issued or not. |
| **OTYP** | **Other Type of Income** | **Type of income to be used under another tax regime.** |
| TEMP | Temporary Indicator | Specifies that the security identified is a temporary security identification used for processing reasons, for example, contra security used in the US. |
| TXAP | Issuer/Offeror Taxability Indicator | Proceeds are taxable according to the information provided by the issuer/offeror. |

**CODES**

**If Qualifier is OTYP, Data Source Scheme must be used,**

**MT 566 Field Specifications**

75. Field 22a: Indicator

FORMAT

|  |  |  |
| --- | --- | --- |
| Option F | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Indicator) |
| Option H | :4!c//4!c | (Qualifier)(Indicator) |

PRESENCE

Mandatory in optional subsequence D2

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | M | CRDB | N |  | H | Credit/Debit Indicator |
| 2 | O | CONT | N |  | H | Contractual Payment |
| 3 | O | ITYP | N |  | F | Type of Income |
| 4 | O | ETYP | R |  | F | Type of Exemption |
| 5 | O | TXAP | N |  | F | Issuer/Offeror Taxability Indicator |
| **6** | **O** | **OTYP** | **R** |  | **F** | **Other Type of Income** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| CONT | Contractual Payment | Whether posting to account is:   1. the result of funds actually collected from issuer. 2. anticipation of collection and is based on a contractual agreement with account servicer. |
| CRDB | Credit/Debit Indicator | Specifies whether the value is a debit or credit. |
| ETYP | Type of Exemption | Specifies the basis for the reduced rate of withholding. |
| ITYP | Type of Income | Specifies the type of income. |
| **OTYP** | **Other Type of Income** | **Type of income to be used under another tax regime.** |
| TXAP | Issuer/Offeror Taxability Indicator | Proceeds are taxable according to the information provided by the issuer/offeror. |

**CODES**

**If Qualifier is OTYP, Data Source Scheme must be used,.**

**2. In the MT 564, add the following new NVR rule on the usage of the :22F::OTYP qualifier:**

**Cxx**

**In each occurrences of subsequence E1 and E2, if field :22F::OTYP is present, then in same occurrence of subsequence E1 or E2, field :22F::ITYP is mandatory (Error code(s): xx).**

| **In each occurrence of subsequence E1 and E2, if field :22F::OTYP is ...** | **then in same occurrence of subsequence E1 or E2, field :22F::ITYP is ...** |
| --- | --- |
| **Present** | **Mandatory** |
| **Not present** | **Optional** |

**3. In the MT 566, add the following new NVR rule on the usage of the :22F::OTYP qualifier:**

**Cxx**

**In each occurrences of subsequence D1 and D2, if field :22F::OTYP is present, then in same occurrence of subsequence D1 or D2, field :22F::ITYP is mandatory (Error code(s): xx).**

| **In each occurrence of subsequence D1 and E2, if field :22F::OTYP is ...** | **then in same occurrence of subsequence D1 or D2, field :22F::ITYP is ...** |
| --- | --- |
| **Present** | **Mandatory** |
| **Not present** | **Optional** |

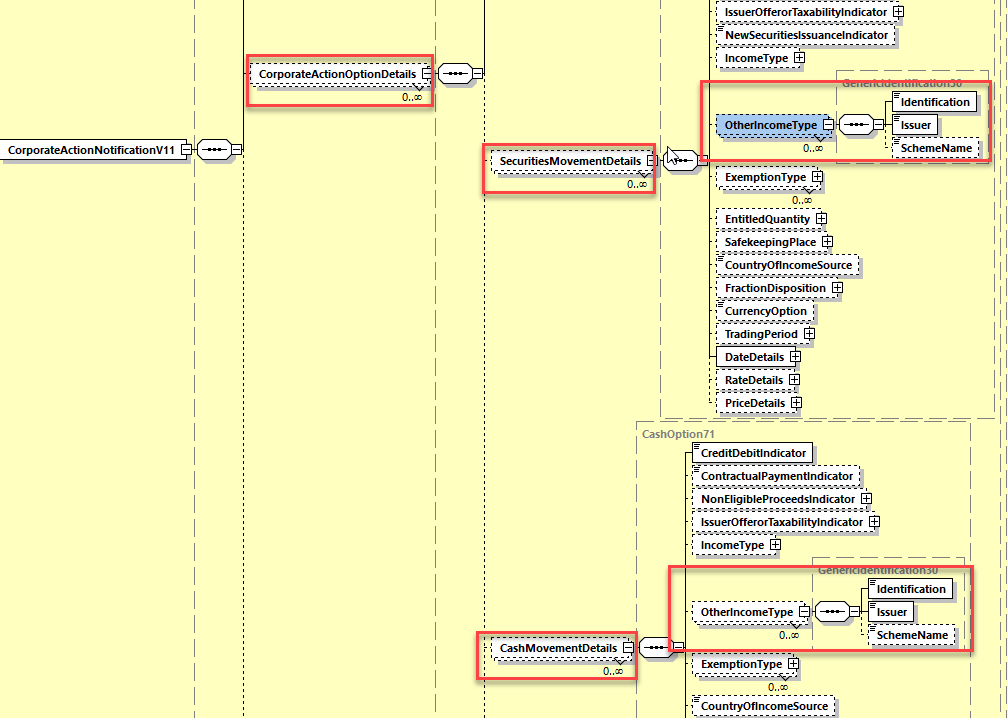
**2. ISO 20022 Illustration**

**1. In the seev.031 (CANO – CorporateActionNotification)** message, in the ***CorporateActionOptionDetails*** buiding block, and,

**In the seev.035 (CAPA – CorporateActionMovementPreliminaryAdvice)** in the ***CorporateActionMovementDetails*** buiding block, and,

**In the seev.036 (CACO – CorporateActionMovementConfirmation)** message, in the ***CorporateActionConfirmationDetails*** buiding block,

Add a new optional and repeatable elements ***OtherIncomeType*** in the ***CashMovementDetails*** and in the ***SecuritiesMovementDetails*** sequences typed by ***GenericIdentification30*** data type as defined in ISO 15022 above and as illustrated here below for the CANO:



1. **In the seev.031 (CANO – CorporateActionNotification) message, in the** ***CorporateActionOptionDetails*** buiding block, and,

**In the seev.035 (CAPA – CorporateActionMovementPreliminaryAdvice)** in the ***CorporateActionMovementDetails*** buiding block, and,

**In the seev.036 (CACO – CorporateActionMovementConfirmation)** message, in the ***CorporateActionConfirmationDetails*** buiding block,

Add a new cross element rule named ***IncomeTypeRule*** in the ***CashMovementDetails*** and in the ***SecuritiesMovementDetails*** sequences to enforce the presence of the *IncomeType* element when the ***OtherIncomeType*** element is present which reads as follows:

***“IncomeTypeRule(): If at least one occurrence of the OtherIncomeType element is present, then IncomeType must be present.”***

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG agrees with the business case. However CH does not agree with the proposed solution to just make the existing ITYP qualifier repeatable. CH proposes instead to add a new optional and repeatable indicator qualifier OTYP (Other Type of Income) together with a new NVR in order to prevent the presence of OTYP if ITYP is not present.  The whole MWG agrees with the alternative solution and confirms that the change is also applicable to the MT 566 message (seev.035 and seev.036).  The MWG recommend to the SMPG to create a new strong market practice on the usage of this new qualifier. |
| **Decision** |
| **Approved with alternative solution.** |

## CR 001795: Add new Status Reason Code for Rejections by Agent and Invalid Paperwork

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| MT 567, seev.034 (CAIS), seev.041 (CACS), seev.042 (CAST) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: US in SR 2022 | |
| **Business context** | |
| As part of the DTC Instructions project, DTC is requesting an additional code it did not submit as part of the SR2020 approved change request CR 1653. The additional Reject Code requested is for Rejected by Agent. There are scenarios in the US market for certain Put events whereby an agent may be the rejecter of the message. (1) the proper paperwork as backup has not been supplied by the participant to the agent and (2) if there is an upcoming maturity or call on the security—the agent might reject the put because it will end of being paid with the call/ maturity payment  There is no code which can be used for either of these issues and NORE no reason is provided. A new code would provide a better reason why the instruction was rejected. A new code (REJA) could suffice to handle both of these situations. However, a more distinct code should also be considered for Invalid / Missing Paperwork (PAPW) | |
| **Nature of change** | |
| MT567 Status / :24B Reason Code / Rejection Reason / REJA Rejected by Agent and / or PAPW - Invalid Paperwork | |
| **Examples** | |
| For Put Events in the US market involving Survivor Options, corporate actions instructions could be rejected by the Agent due to two factors, (1) the proper paperwork as backup has not been supplied by the participant to the agent and  (2) if there is an upcoming maturity or call on the security—the agent might reject the put because it will end of being paid with the call/ maturity payment. | |

**SWIFT Comment**

|  |
| --- |
| As in last year CR 1653, for ISO 20022, the new rejection codes requested should also be added to the seev.042 (CAST) message for consistency of the reason codes across the CA messages. |

**Standards Illustration**

**1. ISO 15022 Illustration**

1. **In the MT567, in sequence A2a, add the two new reason codes REJA and IPAW for the qualifier REJT and the new reason code IPAW for the qualifier PEND as defined and illustrated here below:**

**MT 567 Field Specifications**

13. Field 24B: Reason Code

FORMAT

|  |  |  |
| --- | --- | --- |
| Option B | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Reason Code) |

PRESENCE

Mandatory in optional subsequence A2a

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | M | PEND | N | C1 | B | Pending Reason |
|  | or | REJT | N | C1 | B | Rejection Reason |
|  | or | CAND | N | C1 | B | Cancellation Reason |
|  | or | CANP | N | C1 | B | Cancellation Pending Reason |
|  | or | PACK | N | C1 | B | Accepted Reason |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| CAND | Cancellation Reason | Specifies the reason why the instruction is cancelled. |
| CANP | Cancellation Pending Reason | Specifies the reason why a cancellation request sent for the related instruction is pending. |
| PACK | Accepted Reason | Specifies additional information about the processed instruction. |
| PEND | Pending Reason | Specifies the reason why the instruction/event has a pending status. |
| REJT | Rejection Reason | Specifies the reason why the instruction/cancellation request has a rejected status. |

CODES

If Qualifier is PEND and Data Source Scheme is not present, Reason Code must contain one of the following codes (Error code(s): K24):

|  |  |  |
| --- | --- | --- |
| ADEA | Account Servicer Deadline Missed | Received after the account servicer's deadline. Processed on best effort basis. |
| AUTH | Sent to Tax Authorities | For tax reclaim, the event is pending because the reclaim is sent to the tax authorities. |
| BSTR | Before Instruction Period | Instruction is submitted before instruction start date. |
| CERT | Incorrect Certification | The provided certification is incorrect or incomplete. |
| DQCS | Disagreement on Cash Amount | Unrecognised or invalid instructed cash amount. |
| DQUA | Disagreement on Quantity | Unrecognised or invalid instructed quantity. |
| FULL | Pending Beneficiary Owner Details | Pending receipt of beneficiary owner details. |
| **IPAW** | **Invalid Paperwork** | **Required paperwork is invalid, incomplete or missing.** |
| ITAX | Incorrect Tax Rate | Tax rate provided is incorrect. It falls outside the acceptable values for that investment country. |
| LACK | Lack of Securities | Insufficient financial instruments in your account. |
| LATE | Market Deadline Missed | Instruction was received after market deadline. |
| MCER | Missing or Invalid Certification | Awaiting receipt of adequate certification. |
| MONY | Insufficient Cash | Insufficient cash in your account. |
| MTAX | Missing Tax Rate | Tax rate is missing. |
| NARR | Narrative Reason | See narrative field for reason. |
| NPAY | Payment Not Made | Payment has not been made by issuer. |
| NSEC | Securities Not Delivered | Financial instruments have not been delivered by the issuer. |
| NTAX | Inconsistent Tax Rate | Tax rate is not consistent with the documentation in place. |
| PENR | Pending Receipt | The instruction is pending receipt of securities, for example, from a purchase, loan etc. |
| SNAV | System Not Available | System is not available. Instruction is sent outside of business hours. |
| VLDA | Valid for Tax Authorities | For tax reclaim, the event is pending, the tax reclaim is valid for the tax authorities. |

CODES

If Qualifier is REJT and Data Source Scheme is not present, Reason Code must contain one of the following codes (Error code(s): K24):

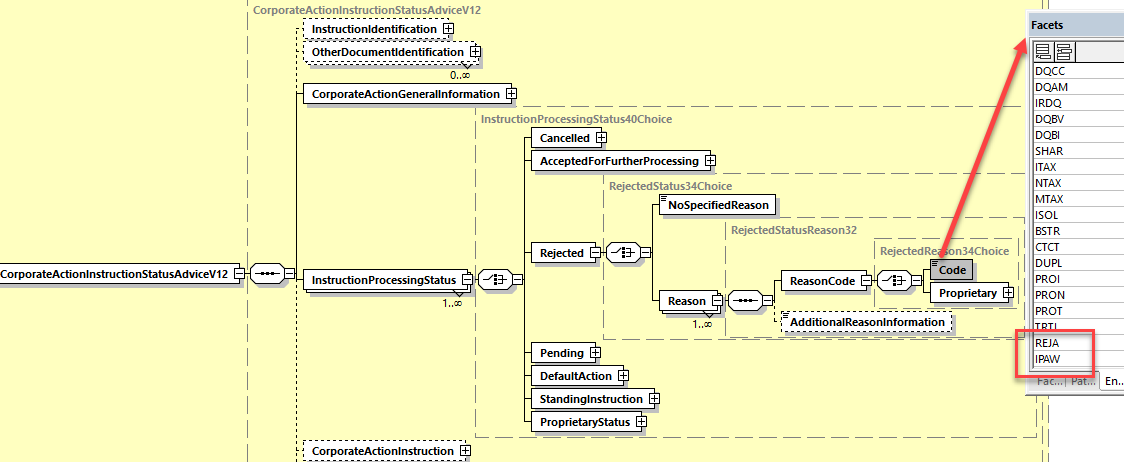
|  |  |  |
| --- | --- | --- |
| ADEA | Account Servicer Deadline Missed | Received after the account servicer's deadline. |
| BSTR | Before Instruction Period | Instruction is submitted before instruction start date. |
| ….. | ……. | ……. |
| INTV | Inactive | Option is not active and can no longer be responded to. Any responses already processed against this option will remain valid, for example, expired option. |
| INVA | Invalid for Tax Authorities | For tax reclaim, the reclaim is invalid for the tax authorities. |
| **IPAW** | **Invalid Paperwork** | **Required paperwork is invalid, incomplete or missing.** |
| IRDQ | Invalid Use Round Up Quantity | Instruction is rejected due to invalid use of additional round up quantity (RDUQ). |
| ISOL | Invalid Solicitation Dealer Fee Use | Invalid use of solicitation dealer fee indicator. |
| ….. | …… | ……. |
| PROT | Missing Protect Date | Protect date is required for cover protect instructions. |
| REFT | Refused by the Tax Authorities | Reclaim is refused by the tax authorities. |
| **REJA** | **Rejected By Issuer Agent** | **Instruction rejected by the issuer agent.** |
| SAFE | Safekeeping Account Rejection | Unrecognised or invalid message sender's safekeeping account. |
| SHAR | Shareholder Number Missing | Shareholder number or reference is missing. |
| TRTI | Missing Transaction Type | Transaction type is missing or invalid for protect or cover protect instructions. |
| ULNK | Unknown | Linked reference is unknown. |

**2. ISO 20022 Illustration**

**In the seev.034 (CAIS – CorporateActionInstructionStatusAdvice)** in sequence *InstructionProcessingStatus/Rejected/Reason/ReasonCode, a*dd the following new reason codes to the date type ***RejectedReason56Code*** of the element Code as defined in ISO 15022 above:

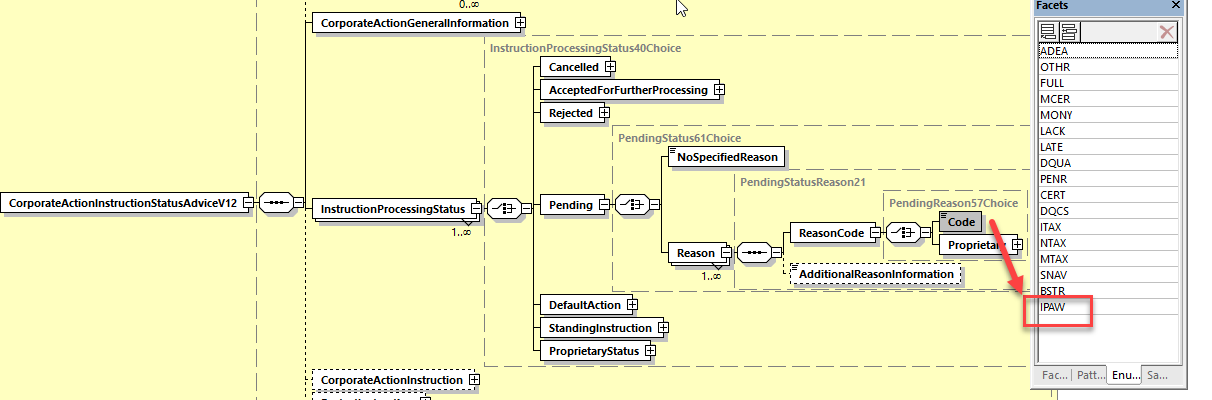
REJA: Rejected by Issuer Agent

IPAW: Invalid paperwork



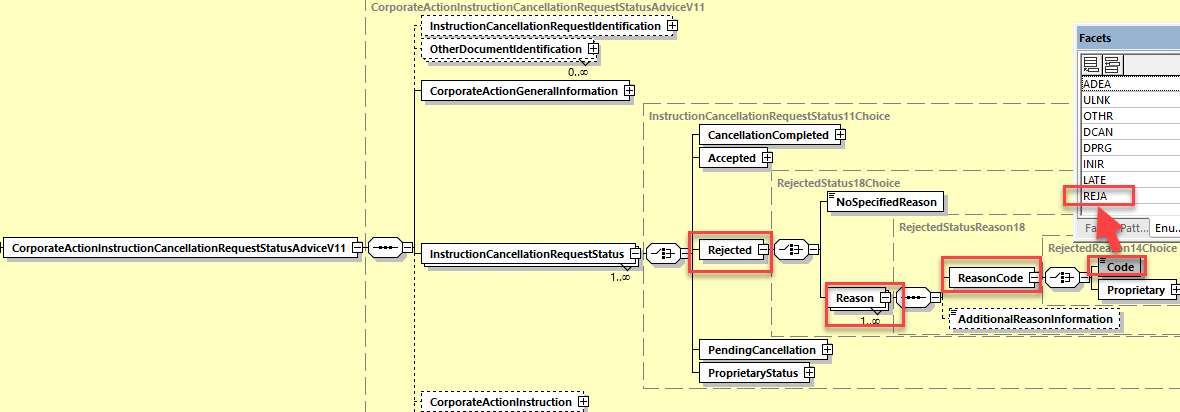
**In the seev.034 (CAIS – CorporateActionInstructionStatusAdvice)** in sequence *InstructionProcessingStatus/Pending/Reason/ReasonCode, a*dd the following new reason code to the date type ***PendingReason20Code*** of the element Code as defined in ISO 15022 above:

IPAW: Invalid paperwork



**In the seev.041 (CACS - CorporeActionInstructionCancellationRequestStatusAdvice)** in sequence *InstructionCancellationRequestStatus/Rejected/Reason/ReasonCode, a*dd the following new reason codes to the date type ***RejectedReason45Code*** of the element Code as defined in ISO 15022 above:

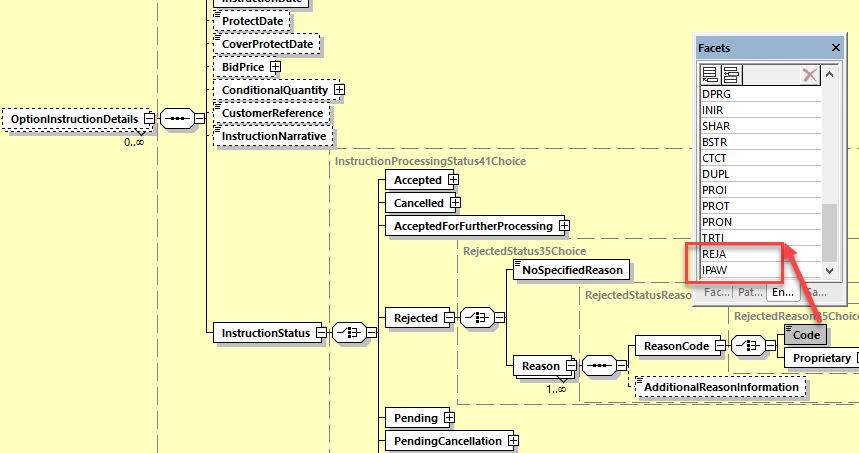
REJA: Rejected by Issuer Agent



**In the seev.042 (CAST – CorporateActionInstructionStatementReport)** message, in sequence *AccountAndStatementDetails/CorporateActionEventAndBalance/Balance/TotalInstructedBalanceDetails/OptionDetails/OptionInstructionDetails/InstructionStatus/Rejected/Reason/ReasonCode*, add the following new reason codes to the data type ***RejectedReason57Code*** of the element Code as defined in ISO 15022 above and as illustrated below:

REJA: Rejected by Issuer Agent

IPAW: Invalid paperwork



**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG agrees with the business case and with the following:   * proposal from DE to amend slightly the definitions of the new codes; * add the IPAW reason code also to the pending status; * apply the changes also to the seev.042 (CAST) message (however do not add IPAW to the pending status in seev.042 as there are no reason codes included today). * Add the REJA reason code in the Rejected status in the seev.041. * recommend to the SMPG to create a market practice for the usage of the new reason codes and review globally the rejection and cancellation reason codes usage and review the presence of pending reason codes in the seev.042. |
| **Decision** |
| **CR approved with Comments** |

## CR 001792: Add New Protect Balance to Instruction Status

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| MT 567, seev.034 (CAIS), seev.041 (CACS) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: DTCC in SR 2022 | |
| **Business context** | |
| DTCC as part of its Corporate Action Transformation initiative has implemented previous change requests to allow for MT 565 (CAIN) Instructions to send a Protect, Cover Protect or Cover on behalf of Another instruction as part of its instruction workflow. There were also changes to show this information within the MT 567 (CAIS) message.  However, as we have further progressed with our automation, an additional balance tag Protect Instruction Balance. This field is included within the ISO20022 Corporate Action Statement Report as Total Protect Instruction Balance. We are requesting the same functionality within the CAIS MT 567 message to display the total Protect Instruction Units as these units cannot be considered as Instructed Units. They need their own balance total. This was inadvertently not requested within the SR 2019 CR 1481 change request which was approved. | |
| **Nature of change** | |
| Create new 93B Balance field in MT567 Corporate Action Details Protect Instructed Balance (PTBA) - Balance of securities which are in Protect Status. | |
| **Examples** | |
|  | |

**SWIFT Comment**

|  |
| --- |
| Shouldn’t we also implement this change in the seev.041 (CACS - CorporateActionInstructionCancellationRequestStatusAdvice) message in order to keep consistency of similar balances across the CA messages ? |

**Standards Illustration**

**1. ISO 15022 Illustration**

**In the MT 567 in sequence B in field :93B: Balance, add a new optional and non-repetitive balance qualifier Protect Instructed Balance (PTBA) as defined and illustrated here below:**

**MT 567 Field Specifications**

27. Field 93B: Balance

FORMAT

|  |  |  |
| --- | --- | --- |
| Option B | :4!c/[8c]/4!c/[N]15d | (Qualifier)(Data Source Scheme)(Quantity Type Code)(Sign)(Balance) |

PRESENCE

Optional in optional sequence B

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | ELIG | N |  | B | Total Eligible for Corporate Action Balance |
| 2 | O | INBA | N |  | B | Instructed Balance |
| 3 | O | UNBA | N |  | B | Uninstructed Balance |
| **4** | **O** | **PTBA** | **N** |  | **B** | **Protect Balance** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| ELIG | Total Eligible for Corporate Action Balance | Total balance of securities eligible for this corporate action event. The entitlement calculation is based on this balance. |
| INBA | Instructed Balance | Balance of instructed position. |
| UNBA | Uninstructed Balance | Balance of uninstructed position. |
| **PTBA** | **Protect Balance** | **Balance of securities which are in protect status in a CSD operating a protect cover service.** |

CODES

If Data Source Scheme is not present, Quantity Type Code must contain one of the following codes (Error code(s): K93):

|  |  |  |
| --- | --- | --- |
| AMOR | Amortised Value | Quantity expressed as an amount representing the current amortised face amount of a bond, for example, a periodic reduction/increase of a bond's principal amount. |
| FAMT | Face Amount | Quantity expressed as an amount representing the face amount, that is, the principal, of a debt instrument. |
| UNIT | Unit Number | Quantity expressed as a number, for example, a number of shares. |

NETWORK VALIDATED RULES

The integer part of Balance must contain at least one digit. A decimal comma is mandatory and is included in the maximum length (Error code(s): T40,T43).

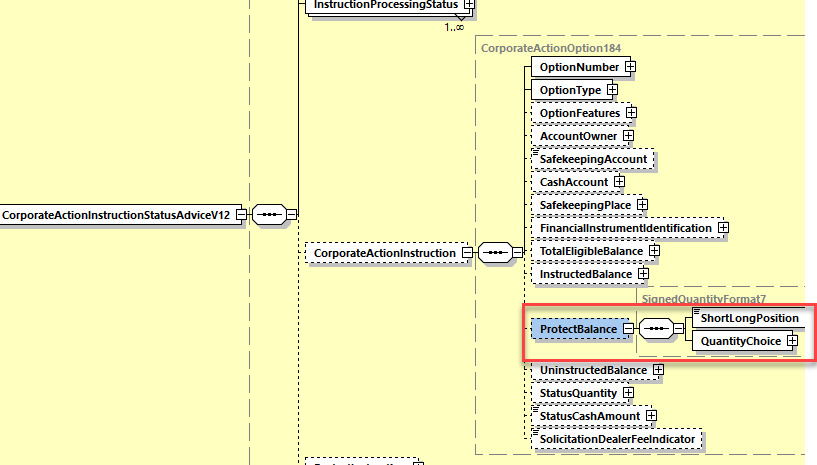
If Balance is zero, Sign must not be present (Error code(s): T14).

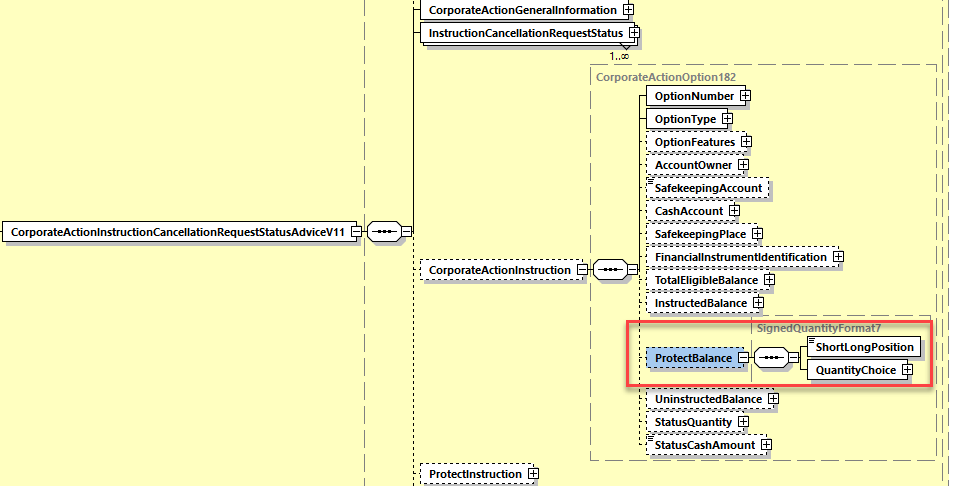
USAGE RULES

Sign must be present when Balance is negative.

**2. ISO 20022 Illustration**

**In the seev.034 (CAIS – CorporateActionInstructionStatusAdvice)** and **in the seev.041 (CACS - CorporeActionInstructionCancellationRequestStatusAdvice)** in the C*orporateActionInstruction* building block*, a*dd a new optional and non-repeatable ***ProtectBalance*** element typed by the data type ***SignedQuantityFormat7*** as defined in ISO 15022 above and as illustrated below:





**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG agrees with the business case.  The MWG also agrees on naming the new element “Protect Balance” with the following definition: “*Balance of securities which are in protect status in a CSD operating a protect cover service.”* and to also apply the change in the seev.041 (CACS) message.  The MWG recommend to the SMPG to create a strong new market practice to cover the usage of this new balance. |
| **Decision** |
| **CR Approved with Comments** |

## CR 001775: Make FX rate EXCH Repetitive in Confirmations

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | SMPG |
| **Sponsors** | |
| SMPG | |
| **Message type(s) impacted** | |
| MT 566, seev.036 (CACO) | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: 20000000  Percentage of messages impacted: 10  Commits to implement and when: Major global custodians in SR 2022 | |
| **Business context** | |
| Where the income/CA event is declared in a restricted currency (e.g. Argentine Peso – ARS), one of the parties in the custody chain (e.g. su-custodian) may arrange for an FX to a major currency (e.g. USD) and, where the account servicer (e.g. global custodian) pays income/CA proceeds to the account holder in a pre- agreed currency (e.g. GBP), we may have two FXs that take place on the same income/CA proceeds. | |
| **Nature of change** | |
| We would like to make the FX rate repetitive in the MT566 cash movement so to report both FX rates and avoid using narratives. | |
| **Workaround** | |
| Currently, in this scenario, the FX rate in the MT566 reports the details of the FX between the intermediate currency and the one credited to the account holder (in our example between USD and GBP). The FX rate applied on the original dividend amount is reported in the narratives. | |
| **Examples** | |
| Currently, since the FX rate cannot be repeated in the movement, global custodians report:  • the income/CA details (e.g. gross, net and tax amount) in the original currency the dividend was announced in (in our example, ARS)  • the posting and resulting amounts in the currency the proceeds have been FX-ed to by the account services (in our example GBP)  • the FX rate has the details of the FX between the intermediate currency and the one credited to the account holder (in our example between USD and GBP)  • the FX rate applied on the original dividend amount should be reported in the narratives:  16R:CASHMOVE  :22H::CRDB//CRED  :97A::CASH//XXXXXXXXXXXXXXX  :19B::PSTA//GBPXXXXX,  :19B::RESU//GBPXXXXX,  :19B::TAXR//ARSXXXXX,  :19B::GRSS//ARSXXXXX,  :19B::NETT//ARSXXXXX,  :98A::POST//YYYYMMDD  :98A::VALU//YYYYMMDD  :98A::PAYD//YYYYMMDD  :92F::GRSS//ARSXXXX,  :92B::EXCH//USD/GBP/XXXXXX  :92A::TAXR//XX,  :16S:CASHMOVE  :70E::ADTX// EXCH//ARS/USD/XXXXXX  Instead, with the FX rate repetitive:  16R:CASHMOVE  :22H::CRDB//CRED  :97A::CASH//XXXXXXXXXXXXXXX  :19B::PSTA//GBPXXXXX,  :19B::RESU//GBPXXXXX,  :19B::TAXR//ARSXXXXX,  :19B::GRSS//ARSXXXXX,  :19B::NETT//ARSXXXXX,  :98A::POST//YYYYMMDD  :98A::VALU//YYYYMMDD  :98A::PAYD//YYYYMMDD  :92F::GRSS//ARSXXXX,  :92B::EXCH//ARS/USD/XXXXXX  :92B::EXCH//USD/GBP/XXXXXX  :92A::TAXR//XX,  :16S:CASHMOVE | |

**SWIFT Comment**

|  |
| --- |
| In the MX CA confirmation message seev.036, the exchange rate and resulting amount have been designed a bit differently than in the MT566 (they are grouped together in a separate sequence); therefore, if we make that sequence repetitive, the resulting amount will need to be repeated as well which is not the case in the MT566 message where we will have several FX rate but still one resulting amount.  This was done originally in the seev.036 so as to have in MX a validation of the MT566 NVR C1 by schema and not by an additional cross element rule.  If we leave ResultingAmount mandatory in the seev.036, we will have more than one resulting amount (one per FX rate provided) and if we make it optional, we lose the NVR C1 of the MT 566 as a validated cross element rule equivalent to the NVR C1 cannot be made in MX.  SWIFT propose to keep “ResultingAmount” mandatory in the MX. |

**Standards Illustration**

**1. ISO 15022 Illustration**

**In the MT 566 in subsequence D2, set the Exchange Rate qualifier (:92B::EXCH) as repeatable.**

**MT 566 Field Specifications**

85. Field 92a: Rate

FORMAT

|  |  |  |
| --- | --- | --- |
| Option A | :4!c//[N]15d | (Qualifier)(Sign)(Rate) |
| Option B | :4!c//3!a/3!a/15d | (Qualifier)(First Currency Code)(Second Currency Code)(Rate) |
| Option F | :4!c//3!a15d | (Qualifier)(Currency Code)(Amount) |
| Option H | :4!c//3!a15d/4!c | (Qualifier)(Currency Code)(Amount)(Rate Status) |
| Option J | :4!c/[8c]/4!c/3!a15d[/4!c] | (Qualifier)(Data Source Scheme)(Rate Type Code)(Currency Code)(Amount)(Rate Status) |
| Option M | :4!c//3!a15d/15d | (Qualifier)(Currency Code)(Amount)(Quantity) |
| Option R | :4!c/[8c]/4!c/15d | (Qualifier)(Data Source Scheme)(Rate Type Code)(Rate) |

PRESENCE

Optional in optional subsequence D2

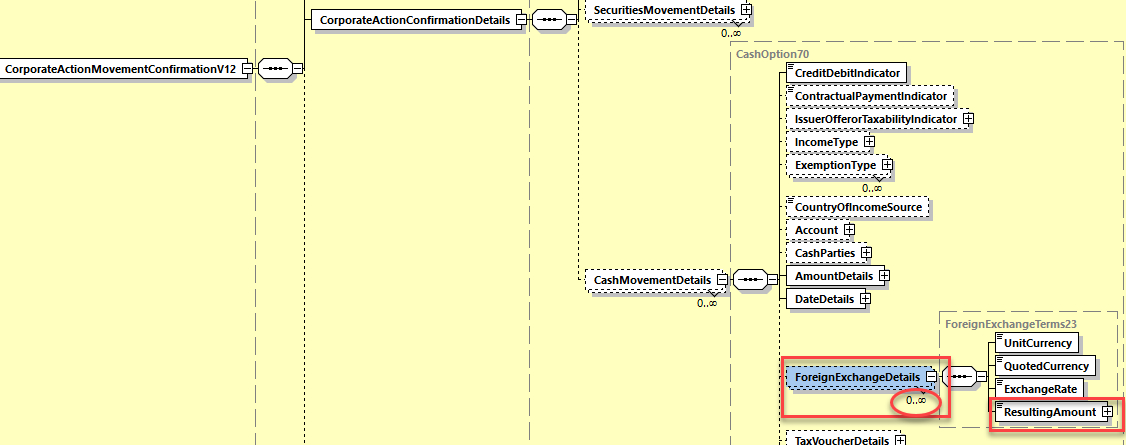
QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | ATAX | N |  | A or F | Additional Tax |
| 2 | O | CHAR | N |  | A or F | Charges/Fees |
| 3 | O | EQUL | N |  | F | Equalisation Rate |
| 4 | O | ESOF | N |  | A, F, or M | Early Solicitation Fee Rate |
| 5 | O | FISC | N |  | A | Fiscal Stamp |
| 6 | O | GRSS | R | C3, C4 | F, H, or J | Gross Dividend Rate |
| 7 | O | EXCH | **~~N~~** **R** | C1 | B | Exchange Rate |
| 8 | O | INCE | N |  | A or F | Third Party Incentive Rate |
| … |  |  |  |  |  |  |
| 18 | O | WITL | R | C3, C4, C8 | A, F, or R | Second Level Tax |
| 19 | O | DEEM | R | C3, C4 | A, F, J, or R | Deemed Rate |

**2. ISO 20022 Illustration**

**In the seev.036 (CACO – CorporateActionMovementConfirmation)** message, in the ***CorporateActionConfirmationDetails*** building block, set the element ***ForeignExchangeDetails*** as repeatable in the ***CashMovementDetails*** sequence as illustrated below:



Note that the ***ResultingAmount*** is mandatory, it will be present in every repetition of the FX rate whilst it is not the case in the MT 566 (see “SWIFT Comment” section above)!

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG agrees with the business case and proposed solution including SWIFT remarks on keeping *ResultingAmount* mandatory in the seev.036 (CACO) message. |
| **Decision** |
| **CR Approved.** |

## CR 001780: DateTime Format Options Consistency and Names Harmonisation

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | SMPG |
| **Sponsors** | |
| SMPG | |
| **Message type(s) impacted** | |
| MT 564, MT 565, MT 566, MT567, MT568, seev.031, seev.035, seev.036 | |
| **Complies with regulation** | |
| None | |
| **Business impact of this request** | |
| MEDIUM | |
| **Commitment to implement the change** | |
| Number of messages sent and received: 10000000  Percentage of messages impacted: 70  Commits to implement and when: Major global custodians in SR 2022 | |
| **Business context** | |
| During the review of existing messages as part of the SMPG creation of global market practice for messaging, the SMPG discovered some additional inconsistencies in the presence and format options of some DateTime elements in the MT 564 and 566 messages.  The SMPG has therefore decided to review all DateTime elements usage in the MT 564, MT565 and 566 messages and to request changes when relevant so as to increase consistency in their usage globally. | |
| **Nature of change** | |
| Please refer to the Table attached for a detailed description of the requested changes.  Within the MT 564 and MT 566 in all sequences except in sequences B1 & E1a in MT 564 and sequences B1, D1a and D2b in MT 566 :  1) remove the "Time" (:98a: format option C) element of CA dates when not relevant and rename the element accordingly by removing the term "Time" in the name;  2) Add a UTC Time (:98a: format option E) for deadlines element when missing and to a few additional dates when relevant;  3) In the MT 566, remove all Date/Time elements that are not relevant in a confirmation message.  4) In the MT 565, add UTC time to qualifier EXRQ | |
| **Examples** | |
| Not provided. | |

**Summary of proposed changes in DateTime format options in ISO 15022**

|  |  |
| --- | --- |
| \*(1) | in MT564 |
| \*(2) | in MT566 |

**In blue characters**: Deadline elements

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Qualifier** | **Description** | **Format Options SR2021** | | | | | | | **Sequences Available in MT564** | **Sequences Available in MT566** | **Proposed Change in MT 564** | **ProposedChange in MT 566** |
|  |  | **A** | **B** | **C** | **E** | **F** | **J** | **K** |  |  |  |  |
| **PREP** | Preparation Date/Time | X |  | X |  |  |  |  | A | A | Add UTC time (Option E) **in all CA MT Messages** | Add UTC time (Option E) |
| **POST** | Posting Date | X | X(1) | X(2) |  |  |  |  | C | D1, D2 |  | Remove time (Option C) |
| **EXPI** | Expiry Date (in seq. C in MT564) Expiry Date/Time (inSeq E in 564 & seq. D in 566) | X | X | X |  |  |  |  | C and E | D | Remove time (Option C) & rename or Add UTC time (Option E) ? | Remove time (Option C) and rename |
| **ANOU** | Announcement Date/time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename or Add UTC time (Option E) ? | Remove element |
| **CERT** | Certification Deadline Date/time | X | X | X |  |  |  |  | D | C | Add UTC time (Option E) | Remove element ? |
| **EFFD** | Effective Date/time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove time & rename |
| **EQUL** | Equalization Date/time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove time & rename |
| **IFIX** | Fixing Date/Time | X | X | X |  |  |  |  | D | **C** | Remove time (Option C) & rename or Add UTC time (Option E) ? | Remove time & rename |
| **LOTO** | Lottery Date/time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove time & rename |
| **MATU** | New Maturity Date/time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove element ? |
| **MEET** | Meeting Date/Time | X | X | X | X |  |  |  | D | C |  |  |
| **PROD** | Proration Date/Time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove time & rename |
| **RDTE** | Record Date/Time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove time & rename |
| **REGI** | Deadline to Register | X | X | X |  |  |  |  | D | C | Add UTC time (Option E) | Remove element |
| **RESU** | Results Publication Date/Time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename or Add UTC time (Option E) ? | Remove element |
| **SPLT** | Deadline to Split | X | X | X |  |  |  |  | D | C | Add UTC time (Option E) | Remove element ? |
| **TAXB** | Deadline for Tax Breakdown Instructions | X | X | X | X |  |  |  | D | C |  | Remove element ? |
| **UNCO** | Unconditional Date/Time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove element ? |
| **WUCO** | Wholly Unconditional Date/time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove element ? |
| **XDTE** | Ex Dividend or Distribution Date/Time | X | X | X |  |  |  |  | D | C | Remove time (Option C) & rename | Remove time & rename |
| **COAP** | Court Approval Date/time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename |  |
| **ECDT** | Early Closing Date/time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename or Add UTC time (Option E) ? |  |
| **ECPD** | Election to Counterparty Market Deadline | X | X | X | X |  |  |  | D | n/a |  |  |
| **ECRD** | Election to Counterparty Response Deadline | X | X | X | X |  |  |  | D | n/a |  |  |
| **ETPD** | Early Third Party Deadline | X | X | X |  |  |  |  | D | n/a | Add UTC time (Option E) |  |
| **FDAT** | Further Detailed Announcement Date/time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename or Add UTC time (Option E) ? |  |
| **FILL** | Filing Date | X | X |  |  |  |  |  | D | n/a |  |  |
| **GUPA** | Guaranteed Participation Date/Time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename |  |
| **HEAR** | Hearing Date | X | X |  |  |  |  |  | D | n/a |  |  |
| **LAPD** | Lapsed Date/Time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename |  |
| **MCTD** | Market Claim Tracking End Date | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename |  |
| **MET2** | Second Meeting Date/time | X | X | X | X |  |  |  | D | n/a |  |  |
| **MET3** | Third Meeting Date/Time | X | X | X | X |  |  |  | D | n/a |  |  |
| **MFIX** | Margin Fixing Date/Time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename |  |
| **OAPD** | Official Announcement/Publication Date/Time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename or Add UTC time (Option E) ? |  |
| **PLDT** | Lead Plaintiff Deadline | X | X | X | X |  |  |  | D | n/a |  |  |
| **SXDT** | Special Ex-Date/Time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename |  |
| **TPDT** | Third Party Deadline | X | X | X |  |  |  |  | D | n/a | Add UTC time (Option E) |  |
| **TSDT** | Trading Suspended Date/Time | X | X | X |  |  |  |  | D | n/a | Remove time (Option C) & rename or Add UTC time (Option E) ? |  |
| **PAYD** | Payment Date/Time | X | X | X |  |  |  |  | D, E1, E2 | D1, D2 | Remove time (Option C) & rename | Remove time + rename |
| **CVPR** | Cover Expiration Deadline Date/Time | X | X | X | X |  |  |  | E | D |  |  |
| **PODT** | Protect Deadline Date/time | X | X | X | X |  |  |  | E | D |  | Remove element |
| **RDDT** | Response Deadline Date/time | X | X | X | X | X |  |  | E | D |  | Remove element ? |
| **SUBS** | Subscription Cost Debit Date/Time | X | X | X |  |  |  |  | E | D | Remove time (Option C) & rename | Remove time + rename |
| **BLOK** | End of Securities Blocking Period | X | X | X | X |  |  |  | E | n/a | Possibly remove time? |  |
| **BORD** | Stock Lending Deadline Date/Time | X | X | X | X |  | X | X | E | n/a |  |  |
| **DVCP** | Depository Cover Expiration Date/Time | X | X | X |  |  |  |  | E | n/a | Remove time (Option C) & rename or Add UTC time (Option E) ? |  |
| **EARD** | Early Response Deadline Date/Time | X | X | X | X |  |  |  | E | n/a |  |  |
| **MKDT** | Market Deadline Date/Time | X | X | X | X |  |  |  | E | D |  | Remove element ? |
| **AVAL** | Available Date/Time for Trading | X | X | X |  |  |  |  | E1 | D1 | Remove time (Option C) & rename | Remove time + rename |
| **DIVR** | Dividend Ranking Date/Time | X | X | X |  |  |  |  | E1 | D1 | Remove time (Option C) & rename | Remove time + rename |
| **PPDT** | Pari Passu Date/Time | X | X | X |  |  |  |  | E1 | D1 | Remove time (Option C) & rename | Remove time + rename |
| **LTRD** | Last Trading Date/Time | X | X | X |  |  |  |  | E1 | n/a | Remove time (Option C) & rename |  |
| **EARL** | Earliest Payment Date/Time | X | X | X |  |  |  |  | E1, E2 | D1, D2 | Remove time (Option C) & rename | Remove time + rename |
| **VALU** | Value Date/Time | X | X | X |  |  |  |  | E2 | D2 | Remove time (Option C) & rename | Remove time + rename |
| **FXDT** | FX Rate Fixing Date/Time | X | X | X |  |  |  |  | E2 | D2 | Remove time (Option C) & rename | Remove time + rename |
| **TRAD** | Trading Date/Time | X | X | X | X |  |  |  | n/a | D |  | Remove time + rename |
| **MT 565** |  |  |  |  |  |  |  |  |  |  |  |  |
| **EXRQ** | Execution Requested Date/Time | X |  | X |  |  |  |  | D |  | Add UTC time (Option E) |  |

**SWIFT Comment**

|  |
| --- |
|  |

**Standards Illustration**

**1. ISO 15022 Illustration**

**Since this CR generates potentially a lot of changes in the MT564 and 566 messages, only the changes in the MT564 sequence D, the MT566 sequence C and the MT 565 are illustrated.**

**1. In the MT 564 in sequence D, in field 98a Date Time, add format option E to qualifiers:**

**- ANOU, CERT, IFIX, REGI, RESU, SPLT, ECDT, ETPD, FDAT, OAPD, TPDT, TSDT**

**and remove format option C and rename the following qualifiers:**

* **EFFD, EQUL, LOTO, MATU, PROD, RDTE, UNCO, WUCO, XDTE, COAP, GUPA, LAPD, MCDT, MFIX, SXDT, PAYD**

**as illustrated below:**

**MT 564 Field Specifications**

43. Field 98a: Date/Time

FORMAT

|  |  |  |
| --- | --- | --- |
| Option A | :4!c//8!n | (Qualifier)(Date) |
| Option B | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Date Code) |
| Option C | :4!c//8!n6!n | (Qualifier)(Date)(Time) |
| Option E | :4!c//8!n6!n[,3n][/[N]2!n[2!n]] | (Qualifier)(Date)(Time)(Decimals)(UTC Indicator) |

PRESENCE

Optional in optional sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | ANOU | N |  | A, B, or C**, E** | Announcement Date/Time |
| 2 | O | CERT | N |  | A, B, or C**, E** | Certification Deadline Date/Time |
| 3 | O | XDTE | N |  | A, **or** B, **~~or~~** **~~C~~** | Ex-Dividend or Distribution Date**~~/Time~~** |
| 4 | O | EFFD | N |  | A, **or** B, **~~or~~** **~~C~~** | Effective Date**~~/Time~~** |
| 5 | O | FDAT | N |  | A, B, or C**, E** | Further Detailed Announcement Date/Time |
| 6 | O | PROD | N |  | A, **or** B, **~~or~~** **~~C~~** | Proration Date**~~/Time~~** |
| 7 | O | REGI | N |  | A, B, or C**, E** | Deadline to Register |
| 8 | O | RESU | N |  | A, B, or C**, E** | Results Publication Date/Time |
| 9 | O | SPLT | N |  | A, B, or C**, E** | Deadline to Split |
| 10 | O | MEET | N |  | A, B, C, or E | Meeting Date/Time |
| 11 | O | RDTE | N |  | A, **or** B, **~~or~~** **~~C~~** | Record Date**~~/Time~~** |
| 12 | O | TAXB | N |  | A, B, C, **or E** | Deadline for Tax Breakdown Instructions |
| 13 | O | TSDT | N |  | A, B, C, **or E** | Trading Suspended Date/Time |
| 14 | O | LOTO | N |  | A, **or** B, **~~or~~** **~~C~~** | Lottery Date**~~/Time~~** |
| 15 | O | UNCO | N |  | A, **or** B, **~~or~~** **~~C~~** | Unconditional Date**~~/Time~~** |
| 16 | O | WUCO | N |  | A, **or** B, **~~or~~** **~~C~~** | Wholly Unconditional Date**~~/Time~~** |
| 17 | O | MET2 | N |  | A, B, C, or E | Second Meeting Date/Time |
| 18 | O | MET3 | N |  | A, B, C, or E | Third Meeting Date/Time |
| 19 | O | EQUL | N |  | A, **or** B, **~~or~~** **~~C~~** | Equalization Date**~~/Time~~** |
| 20 | O | ECDT | N |  | A, B, or C**, E** | Early Closing Date/Time |
| 21 | O | IFIX | N |  | A, B, or C**, E** | Fixing Date/Time |
| 22 | O | MFIX | N |  | A, B, or C | Margin Fixing Date/Time |
| 23 | O | COAP | N |  | A, **or** B, **~~or~~** **~~C~~** | Court Approval Date**~~/Time~~** |
| 24 | O | MATU | N |  | A, **or** B, **~~or~~** **~~C~~** | New Maturity Date**~~/Time~~** |
| 25 | O | OAPD | N |  | A, B, or C**, E** | Official Announcement/Publication Date/Time |
| 26 | O | SXDT | N |  | A, B, or C | Special Ex-Date/Time |
| 27 | O | GUPA | N |  | A, **or** B, **~~or~~** **~~C~~** | Guaranteed Participation Date**~~/Time~~** |
| 28 | O | ECPD | N |  | A, B, C, or E | Election to Counterparty Market Deadline |
| 29 | O | LAPD | N |  | A, B, or C | Lapsed Date/Time |
| 30 | O | MCTD | N |  | A, B, or C | Market Claim Tracking End Date |
| 31 | O | PAYD | N | C16 | A, B, or C | Payment Date/Time |
| 32 | O | TPDT | N |  | A, B, or C**, E** | Third Party Deadline |
| 33 | O | ETPD | N |  | A, B, or C**, E** | Early Third Party Deadline |
| 34 | O | PLDT | N |  | A, B, C, or E | Lead Plaintiff Deadline |
| 35 | O | FILL | N |  | A or B | Filing Date |
| 36 | O | HEAR | N |  | A or B | Hearing Date |
| 37 | O | ECRD | N |  | A, B, C, or E | Election to Counterparty Response Deadline |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| ANOU | Announcement Date/Time | Date/time at which the issuer announced that a corporate action event will occur. |
| CERT | Certification Deadline Date/Time | Deadline by which the certification must be sent. |
| COAP | Court Approval Date/**~~/Time~~** | Date**~~/Time~~** upon which the Court provided approval. |
| ECDT | Early Closing Date/Time | First possible early closing date of an offer if different from the expiry date. |
| ECPD | Election to Counterparty Market Deadline | Deadline by which an entitled holder needs to advise their counterparty to a transaction of their election for a corporate action event, also known as Buyer Protection Deadline. |
| ECRD | Election to Counterparty Response Deadline | Date/time the account servicer has set as the deadline to respond, with instructions, prior to the election to counterparty market deadline. |
| EFFD | Effective Date**~~/Time~~** | Date**~~/Time~~** at which an event is officially effective from the issuer's perspective. |
| EQUL | Equalization Date**~~/Time~~** | Date**~~/Time~~** at which all or part of any holding bought in a unit trust is subject to being treated as capital rather than income. This is normally one day after the previous distribution's ex date. |
| ETPD | Early Third Party Deadline | Date/Time set by the issuer agent as a first early deadline by which the account owner must instruct directly another party, possibly giving the holder eligibility to incentives. For example, to provide documentation to an issuer agent. |
| FDAT | Further Detailed Announcement Date/Time | Date/time at which additional information on the event will be announced, for example, exchange ratio announcement date. |
| FILL | Filing Date | Date on which the action was filed at the applicable court. |
| GUPA | Guaranteed Participation Date**~~/Time~~** | Last date**~~/Time~~** by which a buying counterparty to a trade can be sure that it will have the right to participate in an event. |
| HEAR | Hearing Date | Date for the hearing between the plaintiff and defendant, as set by the court. |
| IFIX | Fixing Date/Time | Date/time at which an index/rate/price/value will be determined. |
| LAPD | Lapsed Date/Time | Date/time at which an event/offer is terminated or lapsed. |
| LOTO | Lottery Date**~~/Time~~** | Date**~~/Time~~** at which the lottery is run and applied to the holder's positions. This is also applicable to partial calls. |
| MATU | New Maturity Date**~~/Time~~** | Date**~~/Time~~** to which the maturity date of an interest bearing security is extended. |
| MCTD | Market Claim Tracking End Date | Date by which the depository stops monitoring activities of the event, for instance, accounting and tracking activities for due bills end. |
| MEET | Meeting Date/Time | Date/time at which the bondholders' or shareholders' meeting will take place. |
| MET2 | Second Meeting Date/Time | Date/time at which the company's general meeting is scheduled, 2nd session if applicable (for example, Italy). |
| MET3 | Third Meeting Date/Time | Date/time at which the company's general meeting is scheduled, 3rd session if applicable (for example, Italy). |
| MFIX | Margin Fixing Date/Time | Date/time at which the margin rate will be determined. |
| OAPD | Official Announcement/Publication Date/Time | Date/time at which the corporate action is legally announced by an official body, for example, publication by a governmental administration. |
| PAYD | Payment Date/Time | Date/time at which the movement is due to take place (cash and/or securities). |
| PLDT | Lead Plaintiff Deadline | Last day an investor can become a lead plaintiff. |
| PROD | Proration Date**~~/Time~~** | Date**~~/Time~~** at which the issuer will determine a proration amount/quantity of an offer. |
| RDTE | Record Date**~~/Time~~** | Date**~~/Time~~** at which positions are struck at the end of the day to note which parties will receive the relevant amount of entitlement, due to be distributed on payment date. |
| REGI | Deadline to Register | Date/time at which instructions to register or registration details will be accepted. |
| RESU | Results Publication Date/Time | Date/time at which results are published, for example, results of an offer. |
| SPLT | Deadline to Split | Deadline by which instructions must be received to split securities, for example, of physical certificates. |
| SXDT | Special Ex-Date/Time | Date/time as from which 'special processing' can start to be used by participants for that event. Special processing is a means of marking a transaction, that would normally be traded ex or cum, as being traded cum or ex respectively, for example, a transaction dealt 'special' after the ex date would result in the buyer being eligible for the entitlement. This is typically used in the UK and Irish markets. |
| TAXB | Deadline for Tax Breakdown Instructions | Date/time until which tax breakdown instructions will be accepted. |
| TPDT | Third Party Deadline | Date/Time by which the account owner must instruct directly another party, for example to provide documentation to an issuer agent. |
| TSDT | Trading Suspended Date/Time | Date/time at which trading of a security is suspended as the result of an event. |
| UNCO | Unconditional Date**~~/Time~~** | Date**~~/Time~~** upon which the terms of the take-over become unconditional as to acceptances. |
| WUCO | Wholly Unconditional Date**~~/Time~~** | Date**~~/Time~~** at which all conditions, including regulatory, legal etc. pertaining to the take-over, have been met. |
| XDTE | Ex-Dividend or Distribution Date**~~/Time~~** | Date**~~/Time~~** as from which trading (including exchange and OTC trading) occurs on the underlying security without the benefit. |

CODES

In option B, if Data Source Scheme is not present, Date Code must contain one of the following codes (Error code(s): K98):

|  |  |  |
| --- | --- | --- |
| ONGO | Ongoing Basis | Date is determined by "on going basis" process, for example "au fil de l'eau". |
| UKWN | Unknown Date | Date is unknown by the sender or has not been established. |

1. **In the MT 566 in sequence C, in field 98a Date Time, remove format option C and rename the following qualifiers:**

* **EFFD, EQUL, IFIX, LOTO, PROD, RDTE, XDTE**

**And delete the following qualifiers:**

* **ANOU, CERT, MATU, REGI, RESU, SPLT, TAXB, UNCO, WUCO**

**as illustrated below:**

**MT 566 Field Specifications**

29. Field 98a: Date/Time

FORMAT

|  |  |  |
| --- | --- | --- |
| Option A | :4!c//8!n | (Qualifier)(Date) |
| Option B | :4!c/[8c]/4!c | (Qualifier)(Data Source Scheme)(Date Code) |
| Option C | :4!c//8!n6!n | (Qualifier)(Date)(Time) |
| Option E | :4!c//8!n6!n[,3n][/[N]2!n[2!n]] | (Qualifier)(Date)(Time)(Decimals)(UTC Indicator) |

PRESENCE

Optional in optional sequence C

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| **~~1~~** | **~~O~~** | **~~ANOU~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~Announcement Date/Time~~** |
| **~~2~~** | **~~O~~** | **~~CERT~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~Certification Deadline Date/Time~~** |
| 3 | O | XDTE | N |  | A, **or** B, **~~or C~~** | Ex-Dividend or Distribution Date**~~/Time~~** |
| 4 | O | EFFD | N |  | A, **or** B, **~~or C~~** | Effective Date**~~/Time~~** |
| 5 | O | PROD | N |  | A, **or** B, **~~or C~~** | Proration Date**~~/Time~~** |
| **~~6~~** | **~~O~~** | **~~REGI~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~Deadline to Register~~** |
| **~~7~~** | **~~O~~** | **~~RESU~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~Results Publication Date/Time~~** |
| **~~8~~** | **~~O~~** | **~~SPLT~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~Deadline to Split~~** |
| 9 | O | MEET | N |  | A, B, C, or E | Meeting Date/Time |
| 10 | O | RDTE | N |  | A, **or** B, **~~or C~~** | Record Date**~~/Time~~** |
| **~~11~~** | **~~O~~** | **~~TAXB~~** | **~~N~~** |  | **~~A, B, C, or E~~** | **~~Deadline for Tax Breakdown Instructions~~** |
| 12 | O | LOTO | N |  | A, **or** B, **~~or C~~** | Lottery Date**~~/Time~~** |
| **~~13~~** | **~~O~~** | **~~UNCO~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~Unconditional Date/Time~~** |
| **~~14~~** | **~~O~~** | **~~WUCO~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~Wholly Unconditional Date/Time~~** |
| 15 | O | EQUL | N |  | A, **or** B, **~~or C~~** | Equalization Date**~~/Time~~** |
| **~~16~~** | **~~O~~** | **~~MATU~~** | **~~N~~** |  | **~~A, B, or C~~** | **~~New Maturity Date/Time~~** |
| 17 | O | IFIX | N |  | A, **or** B, **~~or C~~** | Fixing Date**~~/Time~~** |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| **~~ANOU~~** | **~~Announcement Date/Time~~** | **~~Date/time at which the issuer announced that a corporate action event will occur.~~** |
| **~~CERT~~** | **~~Certification Deadline Date/Time~~** | **~~Deadline by which the certification must be sent.~~** |
| EFFD | Effective Date**~~/Time~~** | Date**~~/Time~~** at which an event is officially effective from the issuer's perspective. |
| EQUL | Equalization Date**~~/Time~~** | Date**~~/Time~~** at which all or part of any holding bought in a unit trust is subject to being treated as capital rather than income. This is normally one day after the previous distribution's ex date. |
| IFIX | Fixing Date**~~/Time~~** | Date**~~/Time~~** at which an index/rate/price/value will be determined. |
| LOTO | Lottery Date**~~/Time~~** | Date**~~/Time~~** at which the lottery is run and applied to the holder's positions. This is also applicable to partial calls. |
| **~~MATU~~** | **~~New Maturity Date/Time~~** | **~~Date/time to which the maturity date of an interest bearing security is extended.~~** |
| MEET | Meeting Date/Time | Date/time at which the bondholders' or shareholders' meeting will take place. |
| PROD | Proration Date**~~/Time~~** | Date**~~/Time~~** at which the issuer will determine a proration amount/quantity of an offer. |
| RDTE | Record Date**~~/Time~~** | Date**~~/Time~~** at which positions are struck at the end of the day to note which parties will receive the relevant amount of entitlement, due to be distributed on payment date. |
| **~~REGI~~** | **~~Deadline to Register~~** | **~~Date/time at which instructions to register or registration details will be accepted.~~** |
| **~~RESU~~** | **~~Results Publication Date/Time~~** | **~~Date/time at which results are published, for example, results of an offer.~~** |
| **~~SPLT~~** | **~~Deadline to Split~~** | **~~Deadline by which instructions must be received to split securities, for example, of physical certificates.~~** |
| **~~TAXB~~** | **~~Deadline for Tax Breakdown Instructions~~** | **~~Date/time until which tax breakdown instructions will be accepted.~~** |
| **~~UNCO~~** | **~~Unconditional Date/Time~~** | **~~Date/time upon which the terms of the take-over become unconditional as to acceptances.~~** |
| **~~WUCO~~** | **~~Wholly Unconditional Date/Time~~** | **~~Date/time at which all conditions, including regulatory, legal etc. pertaining to the take-over, have been met.~~** |
| XDTE | Ex-Dividend or Distribution Date**~~/Time~~** | Date**~~/Time~~** as from which trading (including exchange and OTC trading) occurs on the underlying security without the benefit. |

USAGE RULES

**~~In sequence B1 and D1a, MATU provides generic information about the final maturity of an instrument. In sequence C, MATU is to be used only in the case of event "maturity extension" EXTM (in sequence A, field :22F::CAEV//EXTM) to provide the extended maturity date.~~**

**~~Effective date is to be used:~~**

* **~~In events where there is no concept of entitlement, for instance Name Change (CHAN) or Place of Incorporation (PLAC), and~~**
* **~~In events where there is a sense of eligibility but with a legal obligation, for instance Merger (MRGR)~~**

1. **In the MT 565 in sequence D, in field 98a Date Time, add format option E to qualifier EXQR (Execution Requested Date/Time):**

**MT 565 Field Specifications**

45. Field 98a: Date/Time: Execution Requested Date/Time

FORMAT

|  |  |  |
| --- | --- | --- |
| Option A | :4!c//8!n | (Qualifier)(Date) |
| Option C | :4!c//8!n6!n | (Qualifier)(Date)(Time) |
| **Option E** | **:4!c//8!n6!n[,3n][/[N]2!n[2!n]]** | **(Qualifier)(Date)(Time)(Decimals)(UTC Indicator)** |
|  |  |  |

PRESENCE

Optional in mandatory sequence D

QUALIFIER

(Error code(s): T89)

| **Order** | **M/O** | **Qualifier** | **R/N** | **CR** | **Options** | **Qualifier Description** |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | O | EXRQ | N |  | A, **~~or~~** C **or E** | Execution Requested Date/Time |

DEFINITION

This qualified generic field specifies:

|  |  |  |
| --- | --- | --- |
| EXRQ | Execution Requested Date/Time | Date/time at which the instructing party requests the instruction to be executed. |

NETWORK VALIDATED RULES

Date must be a valid date expressed as YYYYMMDD (Error code(s): T50).

Time must be a valid time expressed as HHMMSS (Error code(s): T38).

**UTC Indicator must be a valid time expressed as HH[MM] (Error code(s): T39).**

**Sign ([N]) must not be used when UTC Indicator is equal to all zeroes (Error code(s): T14).**

**2. ISO 20022 Illustration**

**Since this CR generates potentially a lot of changes in the seev.031, 035, and 036 messages, only the changes in the CorporateActionDetails of these messages are illustrated.**

**Note: In ISO 20022 messages, the format option E (UTC offset) for 98a in ISO 15022 is built-in in the ISODateTime data type, therefore removing or adding the UTC offset cannot be applied.**

**In the seev.031 (CANO – CorporateActionNotification) message**, in sequence *CorporateActionDetails*/*DateDetails*, replace the ***DateFormat43Choice*** data types by the **DateFormat30Choice** data type for the following elements:

* EffectiveDate, EqualisationDate, LotteryDate, NewMaturityDate, ProrationDate, RecordDate, ExDividendDate, UnconditionalDate, WhollyUnconditionalDate, ExDividendDate, CourtApprovalDate, GuaranteedParticipationDate, LapsedDate, MarketClaimTrackingEndDate, MarginFixingDate, SpecialExDate, PaymentDate.

**In the seev.035 (CAPA – CorporateActionMovementPreliminaryAdvice)** **message** in sequence *CorporateActionDetails*/*DateDetails*, replace the ***DateFormat43Choice*** data types by the **DateFormat30Choice** data type for the following elements: RecordDate, ExDividendDate, LotteryDate.

**In the seev.036 (CACO – CorporateActionMovementConfirmation)** message in sequence *CorporateActionDetails*/*DateDetails*, replace the ***DateFormat43Choice*** data types by the **DateFormat30Choice** data type for the following elements: RecordDate, ExDividendDate.

**No impact on seev.033 (CorporateActionInstruction) message.**

**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG approves the business case and the solution proposed in principle.  However since there are still some uncertainty on the best solution for 9 of the DateTime qualifiers, and since the feedback from countries on the proposed solution requested by the SMPG was not yet deemed sufficient in view of the potential huge impact on the messages, the MWG decides to postpone the implementation to SR2023 and in the meantime to finalise the solution for the 9 qualifiers and to request formal feedback from more countries on the proposed changes.  The detailed solution for the CR will be reviewed again in details next year. |
| **Decision** |
| **Business case approved and solution to be finalised for an implementation postponed in SR2023** |

## CR 001799 Move IntermediateSecuritiesDistributionType to CA Details Sequence (ISO20022 CR 1026)

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | SWIFT |
| **Sponsors** | |
|  | |
| **Message type(s) impacted** | |
| seev.035, seev.036, seev.037 | |
| **Complies with regulation** | |
|  | |
| **Business impact of this request** | |
| LOW | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: Not provided | |
| **Business context** | |
| 1. In the seev.031 (corporateActionNotification) message, the “IntermediateSecuritiesDistributionType” element is positioned in the “CorporateActionDetails” sequence similarly to the ISO 15022 MT564 message. Originally, the seev.035 message did not include a “CorporateActionDetails” sequence, therefore, the element was located instead into the “CorporateActionMovementDetails” sequence.   Since a few years ago, a “CorporateActionDetails” sequence was added to the seev.035 message, it would then be better now to move this element at the right place so as to keep the message fully aligned with the MT564 message for coexistence reasons.  The main problems of leaving the “IntermediateSecuritiesDistributionType” element in the “CorporateActionMovementDetails” sequence is that:   * the sequence is repeatable while the “CorporateActionDetails” sequence is not and therefore having a repetition of the “IntermediateSecuritiesDistributionType”in the seev.035 movement sequence is a bit awkward. * The rule equivalent to the NVR C11 in the MT564 (“IntermediateSecuritiesDistributionRule”) cannot be implemented correctly in the seev.035 message and is therefore not validating the message correctly.  1. In the seev.036 (corporateActionMovementConfirmation) message, the “IntermediateSecuritiesDistributionType” element is positioned in the “CorporateActionGeneralInformation” sequence instead of the “CorporateActionDetails” sequence as in the ISO 15022 MT566 message because originally, the seev.036 message did not include a “CorporateActionDetails” sequence.   Since a few years ago a “CorporateActionDetails” sequence was added to the seev.036 message, it would then be better now to move this element at the right place so as to keep the message fully aligned with the MT566 message for coexistence reasons.  For the same coexistence reason, it is also necessary to add the missing “IntermediateSecuritiesDistribution1Rule” which is equivalent to the NVR C5 in the MT566.   1. In the seev.036, for coexistence reason, we need to keep full alignment with the seev.031 and seev.035 and with the MT566 for the event codes listed for the “IntermediateSecuritiesDistributionType”; whilst the event type “MRGR” is actually missing and therefore it needs to be added. | |
| **Nature of change** | |
| 1. In the seev.035 (CorporateActionMovementPreliminaryAdvice), move the element “IntermediateSecuritiesDistributionType” from the “CorporateActionMovementDetails” sequence to the “CorporateActionDetails” sequence.  1. In the seev.036 (CorporateActionMovementConfirmation) and seev.037 (CotporateActionMovementReversalAdvice), move the element “IntermediateSecuritiesDistributionType” from the “CorporateActionGeneralInformation” sequence to the “CorporateActionDetails” sequence and add a new rule “***IntermediateSecuritiesDistribution1Rule***“ related to the “IntermediateSecuritiesDistributionType “ element and which is equivalent to the MT566 NVR C5 rule which is missing today in the seev.036      1. In the seev.036 (CorporateActionMovementConfirmation) and seev.037 (CotporateActionMovementReversalAdvice), change the data type “IntermediateSecuritiesDistributionTypeFormat16Choice“ of the element “CorporateActionGeneralInformation/IntermediateSecuritiesDistributionType” by the data type “IntermediateSecuritiesDistributionTypeFormat15Choice” so as to add the missing “MRGR” event code to the data type. | |
| **Examples** | |
| N/A | |

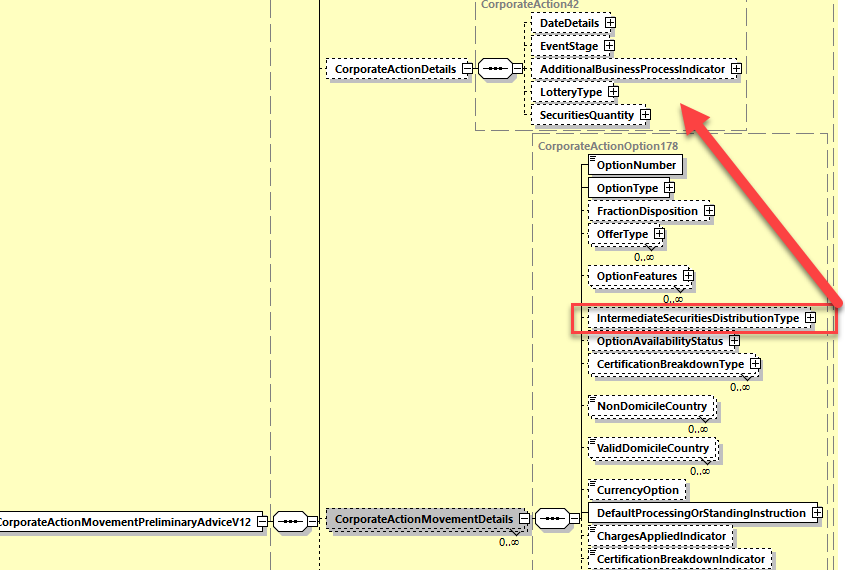
**SWIFT Comment**

|  |
| --- |
|  |

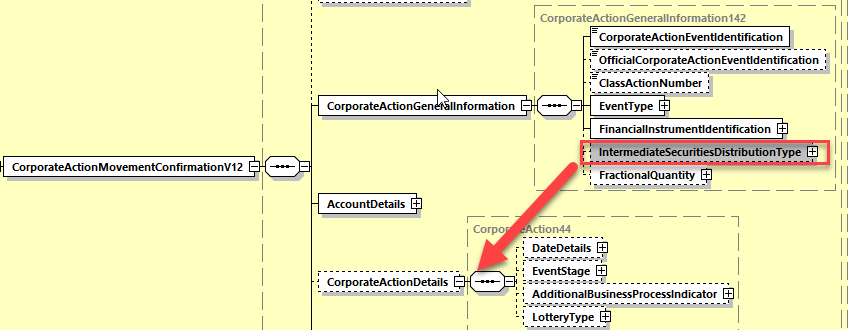
**Standards Illustration**

**2. ISO 20022 Illustration**

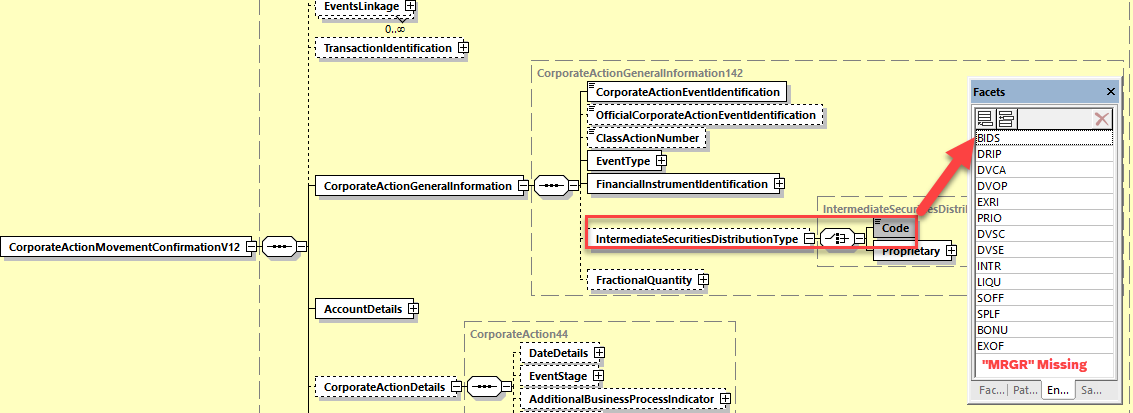
1. **In the seev.035 (CorporateActionMovementPreliminaryAdvice),** move the element “IntermediateSecuritiesDistributionType” from the “CorporateActionMovementDetails” sequence to the “CorporateActionDetails” sequence.



1. **In the seev.036 (CorporateActionMovementConfirmation)** and seev.037 (CotporateActionMovementReversalAdvice)**,** move the element “IntermediateSecuritiesDistributionType” from the “CorporateActionGeneralInformation” sequence to the “CorporateActionDetails” sequence and add a new rule “***IntermediateSecuritiesDistribution1Rule***“ related to the “IntermediateSecuritiesDistributionType “ element and which is equivalent to the MT566 NVR C5 rule which is missing today in the seev.036



1. **In the seev.036 (CorporateActionMovementConfirmation)** and seev.037 (CotporateActionMovementReversalAdvice)**,** change the data type “IntermediateSecuritiesDistributionTypeFormat16Choice“ of the element “CorporateActionGeneralInformation/IntermediateSecuritiesDistributionType” by the data type “IntermediateSecuritiesDistributionTypeFormat15Choice” so as to add the missing “MRGR” event code to the data type.



**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The whole MWG approves the business case and proposed solution as is. |
| **Decision** |
| **Approved** |

## CR 001788: Expand CustomerReference length in InstructionDetails for Statements (ISO 20022 CR 1041)

|  |  |
| --- | --- |
| **Origin of request** | |
| Requesting Group: | ISITC |
| **Sponsors** | |
| DTCC | |
| **Message type(s) impacted** | |
| seev.042 | |
| **Complies with regulation** | |
| Country, community or group that is committed to use this change | |
| **Business impact of this request** | |
| No | |
| **Commitment to implement the change** | |
| Number of messages sent and received: Not provided  Percentage of messages impacted: Not provided  Commits to implement and when: Not provided | |
| **Business context** | |
| DTC is requesting in the CAST message within Option Instruction Details, the Customer Reference field be expanded to 40 characters as we have found scenarios whereby an expansion is necessary. | |
| **Nature of change** | |
| /Document/CorpActnInstrStmtRpt/AcctAndStmtDtls/CorpActnEvtAndBal/Bal/TtlInstdBalDtls/OptnDtls/OptnInstrDtls/CstmrRef Expand from FinMax30Text to FinMax40Text | |
| **Examples** | |
|  | |

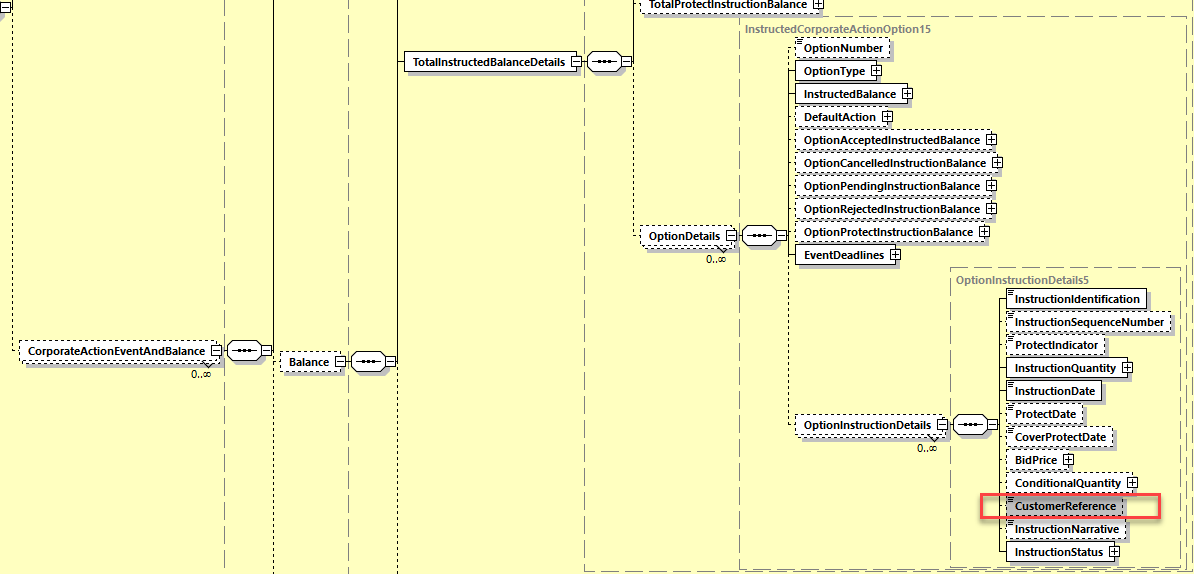
**SWIFT Comment**

|  |
| --- |
|  |

**Standards Illustration**

**2. ISO 20022 Illustration**

**In the seev.042 (CAST – CorporateActionInstructionStatementReport)** message, in sequence *AccountAndStatementDetails/CorporateActionEventAndBalance/Balance/TotalInstructedBalanceDetails/OptionDetails/OptionInstructionDetails*, replace the data type ***Max30Text*** of the element ***CustomerReference*** by ***Max50Text***:



**Working Group Meeting**

|  |
| --- |
| **Discussion** |
| The MWG approves the business case.  However, the new size of the field (Max40Text) proposed seemed a bit odd/uncommon to some.  The MWG agrees on a size of 50 characters (Max50Text) |
| **Decision** |
| **CR approved** |

# Final decision of the Securities SEG regarding ISO 20022 messages:

|  |  |
| --- | --- |
| Approve the MWG decision | approved |

Comments:

|  |  |
| --- | --- |
| Reject the MWG decision |  |

Reason for rejection:

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1. MWG maintenance meeting minutes are distributed around first week of September. [↑](#footnote-ref-1)